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on zimbabwe's post-independence domestic development
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ROGER PEARSON
General Editor

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THE IMPACT OF RULING PARTY IDEOLOGY ON ZIMBABWE'S POST-INDEPENDENCE DOMESTIC DEVELOPMENT

By C. Gregory

ZANU (PF) spokesmen have frequently and publicly reiterated the ruling party's fealty to Marxism-Leninism. Notwithstanding this, most observers of the Zimbabwean scene neglect to mention – if they do not explicitly discount – the impact of the ruling party's ideology on post-independence Zimbabwean politics.(1)

In exploring this neglected area, this article first examines the core of ZANU (PF)'s official ideology. Then, by means of an overview of developments in Zimbabwe in the period 1980-1985, it attempts to demonstrate how ideology has affected developments in that country since independence.

ZANU (PF)'s Ideological Thought

An examination of statements and writings by prominent party members reveals a substantial number of themes which occur with considerable frequency in ZANU (PF) literature.(2) While all are important to the ideology as a whole, some themes are of more immediate and practical relevance to Zimbabwe's post-independence development, and thus to this paper. The following discussion will focus upon the most important of these, namely: ZANU (PF)'s conception of the nature and role of ideology; the nature and role of the Party; the theory of national-democratic revolution and; ZANU (PF)'s economic policies. Each of these themes will be dealt with in turn.

The Nature and Role of Ideology

ZANU (PF) spokesmen make a point of stressing their party's adherence to Marxist-Leninist ideology. ZANU (PF) historiography, such as it is, distinguishes a significant breakthrough in the party's opposition to white minority rule. The adoption of Marxist-Leninist ideology in 1972,(3) it is claimed, has transformed the nature of the party.(4) Indeed, the President and First Secretary of the ruling party states that it is ideology which distinguishes ZANU (PF) from the rest (Mugabe, 1983: 58). To put it briefly, it is asserted that: "Ideology

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guides the Party (ibid.: 38". This it would appear to do chiefly by way of description, analysis and prescription. The ideology describes and analyses the prevailing stituation, then prescribes solutions and courses of action accordingly.

ZANU (PF) would appear to utilize ideology as a prism by which to order reality. Witness Mangwende, Zimbabwe's Foreign Minister and the ruling party's Deputy Secretary for Foreign Affairs, has asserted as much, claiming that ideology is of paramount importance in the elaboration of foreign policy insofar as it provides a "filter"(5) through which reality is perceived. According to Mugabe (1983: 67), the significance of the period of "ideological transformation" was that it "enabled the Party to identify the struggle not merely in terms of its nationalist nature . . . but also in terms of its class character". Since the early 1970s, ZANU (PF) literature has been pervaded by class analyses of the prevailing situation. Maurice Nyagumbo, Politiburo Secretary for Administration, has argued that ideology enables the workers to not only appreciate the fact of their oppression, but to understand its nature and origins as well.(6)

Ideology appears also to have an important prescriptive function. It not only describes and analyses the prevailing situation, but provies strategies for its transformation, and a vision of the envisaged future socialist order. In 1977, Mugabe (1983: 47; my emphasis) declared that the party ideology "*demands* of us that the enemy's political structure be dismantled to create room for a new socio-political order . . ." Nyagumbo has elaborated on the continuing prescriptive role of ideology in the post-independence period:

> It is on the basis of these Marxist-Leninist principles that we shall restructure and reconstruct our national economy so as to ensure the victory of socialism over capitalism. It is also on the basis of Marxist-Leninist principles that we shall create social justice, national unity, a national culture and upon which we shall base our foreign policy.(7)

As Mugabe has put it:

> . . . socialism gives us the intellectual and theoretical framework for the direction or orientation of our policies and programmes.(8)

Prescription should ideally result in action. Both Mugabe and Nyagumbo have made explicit the link between ZANU

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(PF)'s ideology and its policies.(9) Motivation and legitimation are also provided by the ideology,(10) while unity is claimed to be a product of ideological affiliation.(11) Nyagumbo, for example, has argued that ideology is indispensable to the creation of proletarian class unity,(12) and that "the capacity of the working people and the peasants to construct a socialist state depends on the degree of their consciousness of their long-term interests as a class."(13)

Thus ideology is, Party spokesmen argue, of cardinal importance for the construction of socialism in Zimbabwe. Ideology is regarded as necessary to impart clarity, commitment and unity to the driving force of the revolution, the workers and peasants. Its fundamental importance rests on the belief that, without Marxist-Leninist ideology, the scientific basis of society cannot be understood – and society cannot be changed.

Nature and Role of the Party

The notion of the vanguard party is central to Marxist-Leninist thought. ZANU (PF)'s version is no exception. Discussion of the Party within ZANU (PF) writings may be divided into two categories; that of the role of the Party, and that of its nature.

Role of the Party

Basically, the role of the Party is to spearhead the revolution by way of ideological and organizational leadership. In a lengthy discussion of the role of the Party in Zimbabwe, Maurice Nyagumbo divided his assessment into two sections: 1) the role of ZANU (PF) in the war of liberation; 2) the role of ZANU (PF) in socialist construction.(14)

The Party's initial pre-independence task is one of political mobilization. It must construct a national democratic alliance, or united front, of all those who oppose colonialism.(15) The Party's leading role heightens with the eradication of colonialism and the attainment of national independence. The Party must now fight for a complete transformation of the extant political and socio-economic order. It must, at one and the same time, keep the bourgeoisie at bay, and mobilize the workers and peasants. To this end, the Party must take the lead in the dissemination of Marxist-Leninist doctrine.(16) Within its own ranks, the Party must work for the creation of ideologically clear and committed cadres who will strengthen the Party

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accordingly.(17)

Such efforts on the doctrinal front should not be carried out in isolation. At the same time the Party should consolidate its hold on the new political order. For the consolidation and extension of state power is of immediate and cardinal importance.(18) Hence the necessity of the assumption, by the Party, of control and dominance over the government.

To this end, all government policy should originate from the ruling party.(19) Mugabe envisages ZANU (PF) eventually attaining a position such that "all economic and social organizations and institutions of the state . . . come under its political control and act in a single manner for building the socialist system."(20) This, he claims, is the Party's "proper historical role", and is only possible with the attainment of a "one-party State democracy."(21)

Nature of the Party

As the Party assumes its leading role by virtue of its adoption of the "correct" proletarian ideology, Marxism-Leninism, this is central to the organization. While it is recognized that it is likely to be some time before the Party is purged of non-Marxist-Leninist elements, it is said to be "absolutely important [that] everyone who is in the leadership espouses Marxist-Leninist principles."(22) Mugabe is quoted as stating that: "It is not a question of having everybody on the street supporting socialism."(23) Socialism can be achieved with only a corps of ideologically committed cadres.(24)

While in the long run ZANU (PF) is expected to evolve into an elitist vanguard Marxist-Leninist party, officials recognize that this cannot and should not be achieved overnight. Nyagumbo has argued that "at our present stage of development of our productive forces, we cannot have an exclusively proletariat membership of our organisation."(25) In keeping with the tactics of national-democratic revolution, ZANU (PF) is "at the present epoch of our development essentially a mass party."(26) It is implied that, with the passing of the present stage of the socialist revolution, ZANU (PF) would expel all non-proletarian and non-peasant elements. For the "essential character" of the ruling party, Nyagumbo argues, is that "it is a Marxist-Leninist party which . . . makes it a party of workers, peasants and revolutionary intellectuals."(27)

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Theory of National-Democratic Revolution

Since the mid-1970s ZANU has proclaimed the necessity for a two-stage revolution in Zimbabwe; an initial national-democratic phase, to be followed by a socialist transformation. In 1974 Herbert Chitepo argued that the transition from settlerism would be a lengthy one. Halfway, he asserted, "we will have to pass through the transitional stage of national-democratic revolution" (Nyangoni and Nyandoro, 1979: 289). This would entail a temporary united front against imperialism of "not only the workers, peasants and the urban petty bourgeoisie, but also the national bourgeoisie and other patriotic and anti-imperialist democratic forces (Ibid.)".

Thus Leninist united front tactics would be employed during the transient national democratic stage in order to work for the overthrow of the indigenous bourgeoisie. Political independence – the defeat of colonialism – must be followed by economic independence – the eradication of imperialism. This accomplished, the proletarian revolution could be fully realized. Hence Mugabe's summary of the phases of "our immediate national struggle" is as follows:

1. armed struggle
2. independence
3. economic independence
4. socialism.(28)

Ushewokunze (1981: 278) has defined national democracy as a period "whereby society and its institutions have to be democratised. It is a transitional stage to socialism and the guiding principles are socialist."

In ZANU (PF)'s victory message, following the 1985 general elections, Ushewokunze asserted that the dominance of foreign capital over the Zimbabwean economy would render impotent any immediate post-independence efforts to follow an independent capitalist path. All that would develop would be a form of neo-colonialism.(29) Ushewokunze went on:

> The next five years therefore challenge the party to guide the State in wrenching both political and economic power from the hands of the bourgeoisie and place (sic) it in the hands of the working people.(30)

Maurice Nyagumbo argues that the vanguard party must retain the support of the other classes including the national bourgeoisie. He quotes approvingly from the writings of politi-

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cal scientist Yash Tandon:

> . . . even during the stage of the struggle of the neo-colonies against imperialism, the task of the working classes is not to organise the people against all classes, including the national bourgeoisie. To struggle against imperialism and its local retainers is still a struggle for national independence. (31)

Nyagumbo reminds his audience of the temporary nature of the national democratic united front:

> Of course, this should not imply a permanent coincidence of interests between working people and the bourgeoisie, but rather a tactic forced on us by the concrete historical reality of the existence of a stronger force which neither the working people alone nor the national bourgeoisie on its own can defeat. (32)

ZANU (PF)'s Economic Policies

The revised party programe of 1972, Mwenje 2, vowed that a "truly socialist self-supporting economy will be established and organised along broad principles enunciated by Marxism-Leninism."(33) Thus ZANU (PF)'s declared economic goals have, since this date, included collective, cooperative and state farming, central planning of the economy, a dominant state sector, state ownership of all land, and ownership by the workers of the means of production. (34)

Qualifying this, however, has been what this writer terms ZANU (PF)'s policy of "economic gradualism", and the party's long-standing attitude towards private enterprise.

Both before and since independence a number of prominent Party officials have cautioned against a precipitate or "left-wing" approach to the transition to socialism. In 1978, for example, Mugabe (1983: 18) argued for an approach akin to that of Lenin's New Economic Policy, asserting that "you can't start off by nationalising everything. You have got to take into account the realities of the situation." While in 1984 Minister of Education, Dzingai Mutumbuka, bluntly declared:

> There is little doubt that if the total capitalist-owned economy were to be handed over to the Government or to workers, a crisis would ensue. (35)

Ushewokunze (1982: 279), the ruling party's chief ideologist, has cited Lenin's "enforced reversion" to the New Economic Policy, and Mao's post-1948 dalliance with China's national

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capitalists in support of his contention that "in the transition to socialism, the shortest distance between two points is not necessarily a straight line, . . . hurried and unprogrammed change can sometimes be as dangerous as going too slow." He cites with approval the stance adopted in the 1980 ZANU (PF) Election Manifesto: "One of the existing practical realities is the capitalist system which cannot be transformed overnight" (ibid.). Ushewokunze argues for a carefully thought out assault on the existing capitalist economy, one which rules out "precipitate or unconsidered measures" (ibid.: 281), maintaining that:

> The deftest (and most successful) of revolutionaries have been those who have pushed carefully but creatively at the margin of risk, expanding that margin and increasingly controlling it (ibid.).

Part and parcel of the ruling party's gradualist approach is its attitude to private enterprise. ZANU spokesmen argue that, during the transition phase, a role clearly exists for private enterprise. As it cannot be abolished overnight, private enterprise must be utilized for the good of the new political and socio-economic order. However, this is not to say that private enterprise would be given free rein or that it should exist indefinitely. As Mugabe (1983: 182) saw it in 1978:

> At the first stage you will have to cope with the system that had private enterprise anyway. And you are not going to start by seizing everybody's property. That would be impractical. You must proceed however towards a system where there is far more collective control than private control.

In 1980 the new Prime Minister argued in true Leninist fashion that:

> You do not destroy an infrastructure that is in being in order to realize your socialist aims. In fact you can do so by building on the structure that is there (Astrow, 1983: 144).

Private enterprise could be used in the interim to 'fill the gap'. Mugabe (Novicki, 1982: 6-7) again:

> There are areas where we believe we cannot apply socialism in the immediate future or in the medium term. So it is in these areas that we believe we can entertain capitalism, as it were.

In the main, ZANU argues for a *temporary* coexistence between capitalism and those forces working for a socialist

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economy. Thus the three year Transitional National Development Plan, Mugabe argued, "will naturally chart a socialist direction, while recognising areas of private enterprise not immediately amenable to socialism".(36)

For the past fifteen years ZANU (PF) spokesmen have argued that Marxist-Leninist ideology is central to their party, guiding it in its efforts to establish a new political and socio-economic order in Zimbabwe. The ruling party clearly has a comprehensive *official* ideology; what is arguable is the extent to which this ideology has and is being operationalized in post-1980 Zimbabwe. The following sections will attempt to assess the contribution of ZANU (PF)'s ideology to attempts by the ruling party to consolidate its hold over the newly-independent state.

POLITICAL DEVELOPMENTS

Policy of Reconciliation

On attaining power in 1980 Prime Minister Mugabe immediately took considerable pains to publicize his government's policy of national reconciliation. Both whites and members of ZANU were included in Mugabe's first cabinet. While such an attitude might be construed as indicating magnanimity on the part of the new Premier, it was also consistent with ZANU's oft-stated theory of national democratic revolution.(37) This posits that, during the initial period of the revolution, the proletariat (in the form of the ideological vanguard) lacks sufficient strength to rule alone. What is called for is a united front of all democratic forces, to be discarded once the Party has consolidated its hold upon the state.

Lancaster House presented Mugabe with an intact – and hostile – state apparatus. If Mugabe were to avoid serious challenges to his authority in the months immediately following independence, he had to adopt an approach towards the bourgeoisie of 'divide and rule'. As one apologist has suggested:

> This has lulled the bourgeoisie, both inside and outside the country, into a sense of ideological and economic security . . . the bourgeoisie is being neutralised by ZANU (PF) to prevent any possible counter measures they might have taken during the first few months of independence to destabilize the new government economically and politically.(38)

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While ZANU formally came to power in April 1980, the rest of that year and all of the next were spent in an effort to consolidate state power and to impose order upon the new republic. Thus 1980 was the "Year of the People's Power", and 1981 was the "Year of Consolidating the People's Power".(39) As Mugabe put it in 1984:

> Having formed a Government of National Unity, the first major task the Party had was to gain control of the state machinery.(40)

Creation of the ZNA

The most immediate task to be accomplished was the integration of the three standing armies, ZANU's ZANLA, AZPU's ZIPRA, and the Rhodesian security forces. Mugabe said as much in his 1981/82 New York speech to the nation:

> We reckoned that as a matter of priority, the securing of maximum peace would not only strengthen the new democratic political order we have created but that it would also provide an atmosphere conducive to increased performance in all our socio-economic sectors . . .
>
> But crucial to the attainment of optimum peace was always the task of integrating our forces.(5)

By November 1981 the process of integration was largely complete. The new Zimbabwe National Army (ZNA) constituted forty battalions totalling 50,000 men.(42) The Entumbane riots of February 1981 showed the importance of this task being completed promptly. ZIPRA elements within three of the then nine newly integrated army units rebelled and clashed with ZANLA ex-combatants. However, the outbreak was contained, and this achievement further consolidated the Government's power. The integration process was subsequently accelerated. The importance of the integration process cannot be overemphasized. At independence the new government was left with three fully armed and mutually hostile forces. ZANLA and ZIPRA together totalled some 50,000 ex-combatants, while the Rhodesian forces numbered 15,000 men. Before ZANU could hope to extend its political base, these three forces had to be integrated so as to 'dilute' the anti-government elements. Entumbane provided an inkling of what could have followed had this process not been given immediate priority. A ZANLA/ZIPRA standoff along the lines of the MPLA/UNITA situation in Angola, with ZIPRA basing itself in the Matabeleland bush,

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was not an unlikely alternative. Or, at the very least, large-scale armed banditry by trained men similar to that which has plagued Uganda for the past two decades.

The Africanization of the Civil Service

The Government also moved to establish and broaden its power base by means of the Africanization of the civil service, beginning in 1980. A Presidential Directive was issued to authorize appointment to senior positions in the army, police, judiciary and civil service of those loyal to the government. "Without this control", ZANU was later to argue, "there was no way the Party could guide Government in implementing its policies."(43)

Senior officials of both Party and Government openly promote the idea of a politically partisan civil service. In 1984 the Minister of State for Political Affairs and Provincial Development, Maurice Nyagumbo, told a group of trainee diplomats that ". . . it is absolutely necessary for [civil servants] not just to understand and sympathise (sic) but also to promote and defend party policies and our external relations"(44) He went on to say that ". . . the ideal situation would prevail if all key positions in the civil service, including the diplomatic career, were filled by zealous members of the ruling Party".(45)

In the same year, Mugabe informed Parliament that:

> Those we elect to top Government positions must be members who are conscious of the political policies of the Party, those who espouse the views and the direction and ideology of the Party".(46)

Earlier in the year, Mugabe had conceded that the civil service contained all kinds of people. He asserted that "in the future, those that are ideologically conscious will get preference".(47) The Prime Minister went on to suggest that a similar conscientization process would, at a later stage, be carried out in the army and judiciary.(48)

ZANU expects all state institutions not merely to acquiesce to the new order, but to actively support and promote it. For, as one prominent Party and Government official has argued, apolitical state institutions are a 'myth'.(13) The argument goes that, as these organs of state are supportive of either capitalism or socialism (there being no middle ground), in Zimbabwe they must prove their support for socialism. Hence ZANU's attempts since independence to politicize not only the

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bureaucratic civil service, but also the police, armed forces, and the judiciary.(50) The Minister of Home Affairs has underscored the priority of getting "all the machinery of the state acting in concert for the same and only objectives".(51)

In 1981 the Government proceeded to establish its influence in other areas of Zimbabwean life. The first workers' committees and workers' councils were established in 1981, as was the Zimbabwe Congress of Trade Unions (ZCTU). In the same year the Government proceeded with the creation of district, urban and rural councils.(52) In the rural areas these councils replaced the district commissioners of the colonial and UDI eras. In most cases these councils were the first salvo in ZANU's drive to extend its influence at grass roots level. Thus in a number of constituencies voters were instructed to stand behind the candidate of their choice.

Assertion of Party over Government

In December 1981 Prime Minister Mugabe formally announced, on a nation-wide television broadcast, the dominance of Party (i.e. ZANU) over Government.(53)

> The last meeting of our central committee has taken fundamental decisions in respect of the relationship between the party and the government. Government in the sense of the cabinet will in future only adopt and influence those policies which the central committee of the party has approved.(54)

In 1985 Mugabe publicly reiterated this point:

> The starting point of any national policies is henceforth to be the Party forum, the policies in question being passed on to Government with well-defined parameters for implementation.(55)

In 1982 President Banana announced that Government was considering legislation which would, inter alia, effectively further blur the distinction between Party and Government. The proposed bill would provide for state funding of parliamentary parties which enjoyed a significant following in the country, while prohibiting parties from receiving funding from outside the country.(56)

In June 1984 Mugabe moved to increase his power vis-a-vis central government by means of a cabinet reshuffle. The Ministry of Industry and Energy Development was abolished and

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replaced with two new portfolios, one of Industry and Technology within the Prime Minister's Office, and one of Energy and Water Resources within the Office of the Deputy Prime Minister. In addition Maurice Nyagumbo, former Minister of Mines, was promoted to head a new Department of Political Affairs and Provincial Development Coordination, also within the Prime Minister's Office.(57) In an interview with the Harare daily newspaper, *The Herald*, Mugabe explained the reasons behind these developments:

> . . . I am not happy with the limited degree of socialism that exists in our manufacturing sector . . . . I am also not satisfied with the level of State participation in industry. I want to ensure that from this year onwards, major steps are taken to create socialism by establishing State enterprises, and by State participation in existing industries.(58)

The appointment in the following month of eight provincial governors further illustrated the significance of the cabinet reshuffle. As political appointees, these provincial administrators are directly accountable to the Prime Minister's Office, via the Ministry of State (Political Affairs and Provincial Development Coordination).(59) Each governor heads his respective provincial council, the function of which is to "formulate, coordinate and supervise provincial policy within the framework of Government policy and secure the fulfillment of the national objective . . ."(60)

ZANU (PF) Second Party Congress and the Restructuring of the Party

The most significant political development since independence has been the convening of the Second Party Congress in August 1984. Prior to, and in preparation for this occasion, ZANU officials proceeded with an extensive reorganization of the Party structure. This process began in 1982 and by the end of 1983, provincial committees were in operation in all nine provinces.(61) Moreover, each province now possessed properly structured Districts, Branches, Villages and Cells.(62)

Following the establishment of hierarchical organs, attention was devoted to the emergence of the Women's and Youth Leagues. Consequently, a Women's League National Conference was held in March 1984, while a Youth League National Conference was convened in May of the same year.(27) Robert

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Mugabe has emphasized the important role played by the Youth and Women's Leagues of ZANU (PF). In 1984 he described these organizations as ZANU's "action wings responsible for the mobilisation and dynamising of the masses".(64) Referring specifically to the Youth League, he declared:

> You are the vital instrument which will ensure that ZANU becomes the only accepted political forum for a one-party state.(65)

Party reorganization was deemed to be necessary for ZANU (PF) to successfully contest the 1985 general election. While ZANU emerged from the election a clear winner, there is consensus amongst senior Party officials that the restructuring of ZANU is far from complete. At the present national democratic stage of the socialist revolution, ZANU is of necessity still a mass party, though admittedly with a vanguard element. Following ZANU's 1984 election victory, there was a spate of calls for the creation of ideologically committed cadres to spearhead the socialist transformation. Eventually, it is argued, ZANU will have streamlined itself into a vanguard Marxist-Leninist party. With the establishment of a one party state, ZANU will finally assume its historic vanguard role. As Mugabe himself put it:

> Only when there is one Zimbsbwe People with One Leader will a scientific reorganisation of Society along socialist lines be possible. That is why ZANU (PF) seeks to bring all Zimbabweans under its umbrella so that there is only One Leader – the Party – for One Zimbabwe.(66)

While the restructuring process was, in August 1984, far from complete, it was deemed to have advanced sufficiently for the Second Party Congress to be held. More than 6,000 delegates attended the Congress, and adopted a new constitution for the Party. In terms of the new constitution, the Central Committee was tripled in size to ninety members, although its function was restricted to that of an advisory body.

The Central Committee is therefore no longer a power base independent of the Cabinet.(67) The National Executive – which had met infrequently – was abolished and replaced with a 15-man Politburo (Hull, 1985: 38). As eleven of the appointees also held positions within the Cabinet, the gap between Party and Government was further narrowed.(68) Indeed, Resolution 1.4 of the Second Congress instructs the Politburo to "superintend, supervise and administer all Govern-

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ment ministries in accordance with the policies and programmes of the Party".(69)

The Congress also created five standing committees to "handle broad questions of public policy and seek to turn the resolutions of the party congress into comprehensible programmes" (Hull, 1985: 38). These five operate under the aegis of the Central Committee. The Legal and Constitutional Committee, charged with designing the plan for bringing about a one-party state, is headed by Maurice Nyagumbo, and includes Edison Zvogbo. The Political and Policy Committee is led by Simon Muzenda, and includes five other government ministers — Ushewokunze and Ndlovu amongst them. The remaining three committees deal with economics, social issues, welfare and national security.(70)

Mugabe himself emerged from the Congress with more effective executive authority within the Party. Not only was he unanimously elected First Secretary and President of ZANU, but the new constitution assigns him the task, assisted by his deputy, of nominating the remaining Poltiburo members.(71) In a move clearly aimed at increasing Mugabe's legislative powers within Government, Congress Resolution 5.1 called for the creation, by Government, of an executive presidency "without undue delay".(72)

The Second Party Congress was a milestone in a number of other respects. For the first time the application within the Party of the principle of democratic centralism was achieved to a significant extent.(73) A number of important resolutions were also passed. These included: a reaffirmation of the dominance of Party over Government; the adoption of democratic centralism as the fundamental tenet in the internal functioning and administration of the Party; and the desire to bring about a one-party state "in the fullness of time and in accordance with the law and the constitution".(74)

The One-Party State Issue

Underlying political relations in Zimbabwe is the constant refrain of the creating of a one-party state. The ruling party makes no secret of its intention ultimately to implement a one-party state system in Zimbabwe. The August 1984 Party Congress resolved "to bring about a one-party state in the fullness of time and in accordance with the law and the constitution".(75)

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Since 1982 ZANU doctrine has increasingly become national doctrine. ZANU itself has come to be identified with the Government of Zimbabwe. The ethos of Zimbabwe is gradually becoming that of the ruling party. Of course ZANU itself has been instrumental in initiating and fostering these processes. ZANU desires synonymity with the government and the people of Zimbabwe.

While the Lancaster House constitution prevents the establishment of a *de jure* one-party state before 1990, save by unanimous consent of the House of Assembly, the ruling party has worked to establish a *de facto* one-party system. Opposition parties have been harassed in an effort to accelerate the attrition of their remaining support. Members of both the UANC and the CAZ have been detained for alleged links with South Africa. Both Abel Muzorewa and Ian Smith had their passports confiscated, while Muzorewa also suffered a period of detention. The Government has, however, reserved most of its energies for ZAPU, the opposition party with by far the greatest measure of popular support, and thus the party most capable of challenging ZANU's position.(76)

Since Nkomo's expulsion from Parliament in 1982, following the discovery of arms caches on several farms owned by Nitram, a ZAPU company, his party has come under increasing pressure from both Government and ruling party. ZAPU has been harassed on three fronts: in central government, in local government, and at grass-roots level. In the aftermath of Nkomo's dismissal, eleven ZAPU businesses and farms were confiscated, and the two top military commanders of the ZIPRA forces, Lookout Masuku and Dumisso Dabengwa, were detained.(77) These government actions resulted in a considerable number of ZIPRA ex-combatants deserting the ZNA and returning to the bush. These dissidents, as the Government calls them, have since proceeded to roam Matabeleland at the expense of the local inhabitants. ZAPU has frequently and publicly been accused of support for the rebels, despite ZAPU's denials to the contrary. Evidence of ZAPU support for the dissidents has yet to be furnished by the Government.

Since 1983 ZAPU's organization core has come under increasing attack. ZAPU MPs have been detained and branch officials harassed. Public meetings have been prohibited, and party property confiscated. In June 1984 the murder by dissidents of several ZANU (PF) officials in Matebeleland sparked

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off violence by ZANU supporters against ZAPU. The destruction of ZAPU property include the burning down of ZAPU headquarters in the Midlands town of Gweru. These attacks followed a Govvernment ban on ZAPU meetings in that province. Minister of State for Defence, Ernest Kadungune, reportedly thanked the mob, during the riots in Kwe Kwe, for in this way showing support for ZANU (PF). He is said to have stated that such violence was a justifiable reaction to ZAPU support for dissidents.(78)

In 1985 the election run-up black opposition parties were subjected to considerable harassment in their efforts to campaign. In January 1985, during the opening stages of the general election campaign, ZANU supporters forced Joshua Nkomo to cancel a number of political appearances in Banket, Chinoyi and Masvingo, and to call off a planned three-day tour of northern Mashonaland.(79) In Masvingo, the Governor of Victoria Province was reportedly at hand to meet and encourage the demonstrators, as was a Government Minister whose home is Masvingo, and who is the party provincial chairman for the area.(80) On 17 February a ZAPU election rally in Kwe Kwe was cancelled as close on 4,000 supporters of the two main paries fought until dispersed by police tear gas.(81) At month end five UANC officials were dragged from a Hwange train and shot on the station platform.(82) In March government troops sealed off Bulawayo in a search for arms and dissidents. Nkomo claimed that the security sweep — widely reported as the biggest since independence — was an attempt to intimidate and demoralize supporters of his party.(83) In the urban areas countrywide ZANU's township network of youth members saw to it that the opposition parties held no house meetings, while there were reports from the rural areas of ZANU Youth League members, backed by uniformed and armed men, beating locals and exhorting them to vote for ZANU (PF).(84) In Glenview, a "high density" (predominantly black) suburb of Harare, ZANU youth brigade members staked out, twenty-four hours in advance, the avenue at which the opposition ZAPU party was to have held a meeting. ZAPU was forced to call off the rally. Similar tactics had been used the previous week to cancel a ZAPU rally in Mufakose, another high density suburb of Harare.(85)

While recognizing excesses committed by its supporters, ZANU maintained that the violence was not part of an orches-

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trated campaign against the opposition parties. Indeed Mugabe himself on at least one occasion called upon his supporters to end their violence.(86) However Mugabe, Enos Nkala and other party leaders have campaigned aggressively for the downfall of Nkomo, frequently and explicitly linking him and his party with the dissident problem.(87) On more than one occasion in the years preceeding the election Government ministers publicly legitimized violence against ZAPU supporters on the grounds that Nkomo and ZAPU were "enemies of the people". The lead has come from the top that ZANU is the people's party, that ZANU is the Government, and that opposition to ZANU is therefore illegitimate, if not treasonous. Grassroots violence is, under these circumstances, not surprising. Moreover, there are indications that the ZANU leadership actively organized anti-ZAPU measures. ZANU (PF) sources reportedly told *The Times* of London that local party leaders had been instructed, prior to the election, to collect names and addresses of opposition supporters. Once victory had been announced, the supporters were to be "beaten".(88) These lists were reportedly used in the post-electoral violence that followed ZANU's victory.

Following ZANU's electoral victory, its supporters went on the rampage against members of the opposition parties. Members of the women's and youth wings of the Party evicted oppossition supporters from their homes in the Harare high density suburbs of Mufokose and Chitungwiza.(89) Police were well aware of the evictions but apparently took no action. Similar tactics were practiced in Bindura and Glendale, north of Harare, and in the Midlands town of Kwe Kwe.(90) Days later, the violence had spread to Dzivaresekwa and Zengeza townships, near Harare, resulting in the axing to death of the ZAPU candidate for Dzivaresekwa. The Government, meanwhile, appeared unable or unwilling to stem the violence by its supporters.(91) Police kept away, making no attempt to intervene until the third day of violence.(92)

Post-election pressure on ZAPU was not restricted to grassroots level. In the month following the election, five of the fifteen ZAPU Members of Parliament were taken into custody for investigation into alleged anti-state activities, as was a white former mayor of Bulawayo, the incumbent black mayor, and fourteen black city councillors. In total some forty ZAPU officials were detained.(93) This crackdown followed the appoint-

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ment, in that month, to the Ministry of Home Affairs of Enos Nkala, a longstanding, self-avowed enemy of Nkomo. Nkala informed the Zimbabwe Senate in September 1985 of his intention to "wipe out" ZAPU within the following few months. He declared:

> We should also hit the dissidents at their very roots, and that root is ZAPU and ZAPU leadership. (94)

The 1985 elections effectively imposed one-party rule over much of the country with ZANU capturing 77% of the votes cast. (95) One observer summed up the prevailing situation thus:

> What exists in Zimbabwe at present, is a 'de facto' one-party state, where the ruling party has an overwhelming legislative majority and utilises its legal, security and political powers to restrict the competitive potential of the opposition. (96)

Thus far constitutional provisions have frustrated ZAPU's desire for a one-party state. These legal restrictions will, however, fall away in 1990. It is almost certain that ZANU will then proceed with all speed towards the establishment of a single party state system, regardless of parliamentary opposition. Mugabe openly declared as much at a news conference following his party's 1985 general election victory:

> When the time does come for us to effect a one party state we will do so whether these parties still exist or not. In other words if it's a one party (sic) state then that's it. The other parties will stand invalidated and only one party will remain. (97)

Popular Organizations

Since independence the government has proceeded with the creation of two mass organizations designed to increase its influence in the rural areas: the people's militia and the youth brigades.

In 1983 William Ndangana, the Duputy Minister of Defence (Paramilitary), reported that 1,500 instructors had been deployed country-wide to train the core of a people's militia. While at that stage four thousand members had been trained, it was hoped eventually to have a force of twenty thousand men and women. (98) The point was made that the selection of candidates for training was being done "with the help of local leadership to ensure that only those loyal to the Prime Minister and Government were allowed to join". (99) In 1984 Ndangana

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declared the main task of the militia to be "Government's eyes and ears".(100) As such they were to serve "as an early warning to our regular forces, army, police and airforce . . .".(101)

In September 1984 Sidney Sekeremayi, acting Minister of State (Defence) assigned the militia a more politically partisan role. Speaking at a passing out parade, he explicitly linked ZAPU with the dissident problem wracking Matebeleland, and declared that the militia would assist the regular forces in the elimination of dissidents:

> Through the dedication of Korean instructors and our own officers and non-commissioned officers of the People's Militia, we will build a force capable of helping our regular forces to sweep the dissidents away like dust in the wind and making others think twice before they make any attempt to interfere with our growing socialist state.(102)

The Zimbabwean Government has also created a number of youth brigades. In 1983 President Banana reported that 350,000 young Zimbabweans had been thus mobilized.(103) In July 1985 the Minister of Youth, Sport and Culture, David Karimanzira, announced the Government's intention to expand the Youth Brigades to over one million members, and to establish two other youth organizations. The new groups would be the Pioneers, aged between six and fourteen years, and a kindergarten section, consisting of children aged five years and below.(104)

Political Proselytization

ZANU spokesmen have, since 1980, emphasized the 'psychological variable' of socialist transformation. Muzenda, for instance, has phrased it thus:

> The acceptance and application of socialist ideas largely depends on their proper theoretical and conceptual comprehension. People need to understand what scientific socialism is all about.(105)

Mugabe declared in 1983, "The transformation we seek is both structural and psychological in the broad sense".(106) He argued that "the transformation of institutions, practices and ways of life presupposes (sic) the transformation mentalities (sic), attitudes and values".(107)

In 1982, Mugabe included in a brief list of constraints on the socio-economic transformation of Zimbabwe:

> . . . the need for a political and educational campaign

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based on our envisaged socialist programmes in order to conscientize and transform the peasants and the working class, the students, professionals and intellectuals and the formation of cadres who are fully ideologized to constitute the organisational vanguard of the co-operative system in all sectors and lead worker participation in industries towards self-management. (108)

ZANU doctrine has, for over a decade, argued that if the gains of the revolution are to be consolidated and extended, then a "new man" must be developed; mental decolonization must follow territorial decolonization. By this phrase is meant the spread of a socialist orientation amongst the populace. This theme has been pursued since independence. All state institutions have repeatedly been called upon to instill in all Zimbabweans, the youth in particular, the values of socialism *a la* ZANU. In this regard the mass media and the schools have been singled out for attention.

In keeping with its economic philosophy of increasing national control of the economy, the Government has localized the mass media. In the newspaper field the Government created the Mass Media Trust which in turn purchased the shareholding in Zimbabwe of Newspapers of the South African Argus Group. (109) The Mass Media Trust also purchased all the shares of the Inter-African News Agency (whose main contract for international news was with the South African Press Association) and reconstituted it into the Zimbabwe Inter-African News Agency, ZIANA. (110) ZIANA is now the sole agency for the dissemination of news from Zimbabwe to the international community. (111)

In this way, the Government has increased its control over the dissemination of news both inside and outside Zimbabwe. Radio and television services faithfully support Government policy, as does the major daily newspaper, *The Herald*. The weekly *Financial Gazette* – a newspaper with a limited readership, mainly middle-class white businessmen – remains the only independent newspaper. The paper with the largest national distribution, the *Sunday Mail*, retained, until the Government's ousting of its editor, Willie Musarurwa, in July 1985, a considerable measure of editorial independence. Musarurwa had achieved a certain notoriety for his willingness to criticize Government policy. (112)

The Government has made it abundantly clear that these

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reconstituted media services are expected to assist in the "mental decolonisation" of the Zimbabwean people. In other words, the media are expected to support Government efforts to implement socio-economic change. A new ethos is being promoted. Journalists are not expected to be neutral in the sense of reporting mainly facts and events. It is said that there is a war in Zimbabwe between capitalism and socialism – and the press is expected to take the latter's side. Nathan Shamuyarira, Minister of Information, Posts and Telecommunications, has argued that "it is incumbent that all mass media personnel should be properly trained and orientated. They must have the necessary socialist political education and a knowledge of our history and culture".(113) As Mugabe put it in his 1981/82 New Year address, journalists "must always be conscious of the new political, social and economic order and its demands and suppress their apathetic or resistant attitudes".(114)

Socialism must be accepted by the mass media, and actively promoted. The media is expected to play a significant part in inculcating new values into Zimbabwean society. Shamuyarira again:

> Ideally the mass media should effect the transition from a capitalist system to a socialist one . . . . To do this the Mass Media (sic) ought to have bold and effective programmes designed to educate the masses and imbue them with the correct attitudes and values so that they are conscientized and they can identify themselves with and implement the Government's socialist policies.(115)

President Banana has put it somewhat more aggressively. At the Zimbabwe Newspapers annual journalistic awards presentation ceremony in January 1986, he declared that in the current battle in Zimbabwe between old and new ideas, journalists should be "in the forefront of the battle to propagate new ideas, and to discredit the old ones".(116) He went on:

> In Zimbabwe today, we need journalists who combine highest professionalism with the correct ideological orientation . . . . Before they pick up their pens they must be committed to the ideology of liberation in the true and full sense of the word. The dedicated Zimbabwean journalist must serve his or her nation and must regard the pen as a new AK weapon in the continuing struggle for liberation.(117)

The 'new jouralism' in Zimbabwe is even accorded a foreign

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policy role. Just as the capitalist/socialist confrontation within Zimbabwe is part of a greater, international face-off, so the mass media support for the new order within Zimbabwe must be reflected in its foreign policy stance. Shamuyarira has not been alone in asserting that:

> . . . the mass media must regard it as their international duty to give active support and maximum coverage to all the liberation struggles of the peoples of the countries under colonialist and imperialist shackles. They must resolutely fight against imperialism in support of liberation movements of SWAPO, ANC and PAC in Southern Africa, POLISARIO in North Africa, PLO in the Middle and other movements in East Asia and Central America.(118)

Since independence there have been a number of documented cases of the media supporting the Government to the detriment of opposition political parties. In 1983 the Government accused Nkomo of attempting to leave the country under a false identity. Much media coverage of this allegation was given. Nkomo attempted to counter this allegation by producing a photostat copy of his air ticket and a telegram inviting him to a meeting in Prague to discuss the agenda for a World Peace Council meeting. The media, however, made no mention of this evidence.(119) In the runup to the 1985 general elections, Mnangagwa accused Ndabaningi Sithole of plotting with the United States to topple the Zimbabwean government. When the United States denied all knowledge of the plot, it was left to the independent weekly, the *Financial Gazette,* to carry the report.(120) On one occasion the *Herald* refused to publish a reply by Ian Smith to a hard attack against him. The newspaper even refused to accept his reply in the form of a paid advertisement. The state-owned television station gave him equally short shrift.(121)

In sum, the mass media maintain a position strongly supportive of the regime. Radio and television services are notable in this regard, with scarcely a report critical of the Government. The state-owned television, in particular, severely limits reporting of news other than that of Government and ZANU (PF) events. Until very shortly before the 1985 general elections, opposition parties enjoyed very limited access to the media.(122) The pro-Government *Herald* does carry reports critical of the Government.(123) Such criticism is, however, almost always

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within a socialist framework. With the sacking of Willie Musarurwa from the *Sunday Mail*, it is left to the *Financial Gazette* to question the advisability of socialism per se.(124)

While the Government is aware of the role played by the mass media in re-educating the populace, particular emphasis has been reserved for the system of normal primary, secondary and tertiary education. It is believed that Zimbabwe's best chances of achieving a socialist society lie in imparting socialist values to the country's youth.

Thus, since 1980, Government has brought formal education into the forefront of its struggle to effect socio-economic change.(125) The teaching profession has been urged to take part in politics, and to promote the new socialist order.(90) Teachers, Dzingai Mutumbuka, Minister of Education and Culture, has declared, must "display an impeccable commitment to the socialist ideology our country has chosen".(126) There have been frequent calls for changes in curricula so as to imbue the country's youth with socialist values. Mutumbuka defined education thus: "Its prime concern is the development of socialist consciousness".(127) To this end the Minister of Education and Culture established a Curriculum Development Unit to revise primary and secondary school syllabi.(128) Another development has been the selection of eight schools for an experiment in education under the guidance of the Zimbabwe Foundation for Education with Production (ZIMFEP).(129) Education with Production (EWP) has become the catchphrase in Zimbabwean educational circles. The basic principle of socialist education, EWP "focusses on the marriage of theory and practice, i.e. praxis, to develop the individual cognitively, physically, technically, thus effectively leading to a . . . person with a proletarian or worker consciousness".(130)

The Minister of Education and Culture has called for an "ideologically loaded" curricula:(131)

> This involves drenching and dressing curricular content, methods, organisation and assessment in socialism. Curricula must be imbued in socialism and float on a film of socialism.(132)

Thus far, however, actual progress on curriculum devleopment has been limited. Indeed, the new recommended history tests for primary schools emphasize the nationalist aspect of Chimurenga. The concepts of ideology and class struggle are absent from what is essentially a liberal analysis.(133) Mutum-

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buka argues that the process of curriculum development is necessarily slow and that, for the present, the emphasis must be on educating the educators, i.e. the teachers.(134) Moreover, he argues, the first step in revising the curricula is to emphasize Zimbabwean nationalism – that all Zimbabweans should regard themselves as such.(135) This the new history texts certainly attempt to accomplish.

Notwithstanding practical constraints, it is almost certain that in future education in Zimbabwe will become more laden with ideological content. ZANU (PF) appears committed to a philosophy of education which will spearhead the thrust towards socialism. Among the 1984 Congress resolutions was one calling for political education to be compulsory for all students from nursery school to tertiary level "to ensure the proper grasp of scientific socialism by future generations".(136) Mugabe told an end-of-year (1985) meeting of his Party's Central Committee that:

> Since society will in future be comprised, almost to the man, of persons who will have had some schooling of some sort, it is important that a beginning is made in providing school children and students with well-planned political and ideological educational courses. In addition, the subjects taught at school must, where possible, be given a proper ideological perspective, so that the bearing they have on the socio-economic realities of Zimbabwe is not at variance with the Party's political philosophy.(137)

Economic Polities

Robert Mugabe is proceeding with relative control along the path of socialism. He has the benefit of hindsight, of a decade of independence and socialist experimentations in both Angola and Mozambique. Accordingly, the Zimbabwean government has so far been rather circumspect on the economic front, giving preference instead, as we have seen, to the consolidation of political power. Moreover, Mugabe has to tread a tightrope between the technocratic and the populist elements within his own party, attempt to attract foreign investment (on favorable terms) to finance his economic policies, assuage the fears of the private sector so as to retain its support for the Government and, at the same time, remain true to his own personal vision of the direction in which his country should be developing.(138)

In keeping with its avowed policy of economic gradualism,

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the Government has approached the private sector with caution. There has not been the wholesale nationalization of industry that followed independence in Angola and Mozambique. On the contrary, Party and Government officials have frequently stressed the productive over the distributive aspects of socialism. Typical of this approach is the statement by the Minister of National Supplies, Enos Nkala, in July 1984:

> It would be quite possible to distribute everything we found, but after that, what? The answer to this is too ghastly to contemplate.(139)

If socialism is to fulfil its potential, so the ZANU line of argument goes, then the productive forces – greatly neglected by colonial capitalism – must be expanded. In this process private enterprise has an important role to play.

Notwithstanding such reticence, however, many changes have been implemented, and it is evident that the process of socialist transformation has begun.(140) Party and Government officials stress that the political independence won in 1980 must be transformed into national economic independence.(141) In his New Year (1981) address to the nation the Zimbabwean Premier had stated that following the armed struggle for independence, and the achievement of political independence, the next step before antionwide socialism would be the the struggle to achieve economic independence(142)

With the attainment of the second phase in April 1980, Zimbabwe has embarked upon a drive for economic independence which is regarded as a prerequisite for the attainment of socialism.

In 1982, the country formally embarked upon phase three with the proclamation of the "First Year of National Transformation". The year brought with it the Government's first National Development Plan for the period 1982/83 to 1984/85. Mugabe described the plan as Government's "first endeavor at socialist transformation".(143) He added that "the implementation of this Plan is intended to initiate processes designed to set the stage for the transformation of the inherited socio-economic system . . . This Plan in essence puts our nation at the threshold of our second revolution – the socio-economic revolution designed to give greater meaning to our independence".(144) On an earlier occasion the Prime Minister thus summarized the nature and goals of the plan:

> The plan will be an embodiment, on the one hand, of

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> set socio-economic objectives and, on the other, of the means of resources at our disposal aimed at achieving the set objectives. Because of our commitment to the plan will naturally chart a socialist direction, while recognizing areas of private enterprise not immediately amenable to socialism.(145)

Concrete guidelines included: the acquisition of more land for the peasantry; increased state participation in agriculture, mining, manufacturing and commerce, either alone or in partnership with private enterprise: the regulation by the State of private enterprise to comply "with state objectives and social demands"; and the establishment of people's co-operatives.(146). Some headway has already been made towards the achievement of these economic objectives.

The State Sector

The Zimbabwean Government is steadily increasing its stake in the economy. In addition to those state enterprises it inherited at independence, the Government now controls, or has a considerable stake in: fuel procurement, banking, insurance, the pharmaceuticals industry, the steel industry, the communications media, publishing and retail bookselling, and the hotel and tourist industries.(147)

The Government has also created a number of new state enterprises. The Zimbabwe Mining Development Corporation was set up in 1982 to facilitate government investment in mining and exploration.(148) The Minerals Marketing Corporation (MMC) was established later in the same year, and now acts as the sole agent for the sale and export of all minerals (excluding gold) produced in Zimbabwe.(149) When the State's handling of major agricultural exports – handled by another parastatal, the Agricultural Marketing Authority – is taken into account, this gives the government direct control over more than sixty percent of exports (Hawkins, 1985: 39).(150) In 1984 the Government entered the insurance market with its own Zimbabwe Reinsurance Corporation, ZIMRE. This institution is, according to the Prime Minister, "the sole vehicle for external insurance".(151) The Industrial Development Corporation was established as "Government's implementation arm on participation in the manufacturing sector".(152) In 1985 the Zimbabwe Milling Corporation was formed with the intention – according to a document lodged with the Registar

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of Companies — of taking over completely the functions of the existing milling companies.(153)

On the promotions side, Government in 1984 took over management of the Zimbabwe International Trade Fair. The state now chairs both the management and executive committees of the Fair. According to President Banana, this move "is in line with our declared policy of bringing major institutions in Zimbabwe under the direct management and control of Zimbabweans".(154)

At his Party's Second Congress in 1984 Mugabe announced ZANU (PF)'s strategy for the period 1985-1990. This aims at increasing the degree of local ownership and control of the means of production (State, cooperative and individual), greater State involvement in strategic industries and the establishing of new industries, both by the State and cooperatives.(155) In 1985 Mugabe told reporters at his post-election victory news conference that "the mandate also means that the Party must implement its policy. And hence, there is going to be an intensification of socialist programmes".(156) The following month Bernard Chidzero announced the Government's intention to increase its participation in the private sector.(157)

While the Government has increased its involvement in the economy, it continues to stress the role to be played by private enterprise in the economic development of the country. Nevertheless, government officials stress that private enterprise must function within a socialist-orientated framework: that the private sector must cooperate in the attainment of national objectives. Mugabe argues that, as an unavoidable historical reality, capitalism "has to be purposefully harnessed, regulated and transformed as a partner in the overall national endeavour to achieve set national Plan goals".(158)

Accordingly, the economic primacy of the State must be acknowledged. In 1981 Mugabe announced his government's commitment to a system of "the overall planning of the economy".(159) The first attempt at such was the aforementioned Transitional National Development Plan for the period 1982/83 to 1984/85. In the foreword to this, the Zimbabwean Premier placed on record his government's commitment to a centrally planned Zimbabwean economy:

> Our firm belief is that it is only within the framework of a planned economy that Government is better able to influence and purposefully direct development . . . in

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> harmony with socialist objectives. This role of Government in the development of our national economy is indispensable if we are to move speedily towards the establishment of the socialist state we envision.(160)

In 1985 President Banana announced that in 1986 a Five-Year Plan would be released.(161) The document is likely to provide for further State involvement in the economy and an increased emphasis on cooperative production.

The Worker and the Economy

In 1985 Parliament approved a new Labour Relations Bill. The Bill confers upon the Minister of Labour wide powers which include the making of regulations governing minimum wages, conditions of employment, the circumstances governing the dismissal of employees, and strike procedure. The increased powers vested in the Minister have been criticized by both the political left and right in Zimbabwe.(162) For, while workers have been given more power than ever before (the role, power and functions of workers' committees have now been codified), the powers of the Ministry of Labour have increased dramatically. It is clear that, while Government is committed to improving the status of the worker, it intends that such developments should be under the strict supervision of the workers' Party and Government. Such an approach is, of course, classically Leninist.(163)

The new Labour Relations Bill boosts the power of the worker in Zimbabwe. For, while workers' committees have existed in Zimbabwe since 1981, the new bill codifies their role, power and functions. They have grown considerably in number since 1981, and indeed have gained a considerable degree of acceptance by management. According to Mugabe, ZANU envisages these committees assisting the ruling party in the eventual establishment of worker management of industry.(164) ZANU hopes that by this time, it will have gained full control of these committees.(165)

Trade Unions

Trade unions have come under increasing pressure to join the ZANU-manipulated Zimbabwe Congress of Trade Unions (ZCTU), established in September 1980. As with all other mass organizations, the trade unions are regarded by Government as potential instruments through which to further its political

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goals. In a 1985 Labor Day speech Mugabe made this clear:

> Let me again stress the crucial role which the labour movement will have to play as we lay foundations for a socialist Zimbabwe. It will be its major task to impart to workers the right ideological orientation necessary for the attainment of our socialist goals.(165)

The ZCTU appears to be living up to this role. At its second inaugural conference, held in July 1985, delegates proposed and adopted "scientific socialism based on Marxist Leninist teachings as the guiding principles of the labor movement in Zimbabwe"(166) The ZCTU recognized and affirmed its close affinity with the ruling party on the basis of common ideology, shared objectives, and shared principles. While both are structured according to the principles of democratic centralism, the ZCTU "recognises the party's supreme authority because they give guidance in all round development, political, social, cultural and economic policies.(167) Hence the ZCTU's rejection of what it calls "traditional economism".(168) In line with its task of worker education, the ZCTU has set up an Education Committee with the objective of "establishing a new syllabus in which for the first time Marxist Leninist teaching is the dominant content".(169)

Cooperative Development

The transitional National Development Plan of 1982 declares its "general strategy" to be the provision of "a solid framework and basis for participation by popular mass organizations and to create new socio-economic institutions capable of harnessing and utilising the resources of the people".(170) While the former goal is being pursued by means of the trade unions and workers' committees, the latter is being attained by means of the encouragement of cooperative production.

Some progress has been achieved in this field. In 1983 Bernard Chidzero noted that the number of cooperatives had grown more than two-fold since independence, from 400 to 1,000.(171) By the end of February 1985, 1,423 primary cooperative societies in various sectors of the economy had been registered by the then Department of Cooperative Development – with a total membership exceeding 105,000.(172) The collective cooperative movement (worker-owned organizations whose assets are shared equally by all) totalled 300, representing between 20,000 and 25,000 people.(173)

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Government is promoting strongly the philosophy of cooperation and collectivism. The emphasis is on producer cooperatives in agriculture and industry. Nothwithstanding the rhetoric, however, officials recognize the numerous and considerable problems they face in this sphere. These include a lack of capital, farming skills and supportive infrastructure, and poor organizational and management capacity, as well as a "lack of ideological understanding of the role played by cooperatives in transforming the society into socialism".(174) While many excombatants have eagerly embraced the idea of cooperative production, the majority peasant population has firm traditional attitudes favoring individual land ownership.

Government is in the process of expanding its control and local government infrastructure so as to be able to provide more effective assistance to the existing cooperative movement. In 1983 the Department of Cooperative Development was created under the Ministry of Lands, Resettlement and Rural Development. This department was aimed primarily at the promotion of agricultural cooperatives, those in non-agricultural fields receiving assistance from the relevant Government ministries.(175) In 1985 the title of the Ministry of State (Political Affairs and Provincial Development Coordination) was changed to that of Ministry of State (Political Affairs and Coordination of Cooperatives). This move reflects the priority Government attaches to the developement of cooperative relations of production, given the fact that the Minister of State concerned reports directly to the Prime Minister.(176) In 1984 Mugabe announced to his Central Committee that, as part of "a programme of mass education on the principles, management and establishment of cooperatives" Government would establish a cooperative college for the training of cadres to manage cooperatives and state farms.(177) On the financial front Government has also expanded its services to the cooperative movement. Through the Agricultural Finance Corporation (AFC) and the Small Enterprises Development Corporation (SEDCO) loans are granted to cooperatives and members thereof.(178) In February 1986 Maurice Nyagumbo announced Government plans for a central cooperative fund that would form the nucleus for a cooperative bank.(179)

The state farm sector is also receiving assistance from Government. A state farm parastatal, the Agricultural and Rural Development Authority (ARDA) coordinates government

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efforts in this sphere.(180) This organization is reported to have established itself as a leading producer of a wide variety of agricultural products.(181) Several new major state farm schemes were announced by President Banana in July 1985.(182)

Government has also set about expanding the rural infrastructure for, as Chidzero pointed out, resettlement, whether on a cooperative or an individual basis,

> . . . is designed not simply as a process of transfer of assets, but as one of integrated development involving productive use of land and the provision of economic and social services, as well as transport and communications. It is, therefore, necessarily a long-term task if it is to be a fully effective and successful exercise.(183)

Accordingly, the main thrust of the Transitional National Developemnt Plan was directed to rural development. According to Chidzero, Government was, in 1983, channelling as much as one third of public sector investment into rural development.(184) Marketing and storage depots, fertilizers and seed, credit opportunities and agricultureal extension services have all been made more accessible to the communal sector.(185)

The Land Question

Land was one of the major issues of the seven-year bush war, yet the Government's post-independence record in this sphere has been unremarkable. After independence Government committed itself to the resettlement of 16,000 families per year. The 1982 Transitional National Development Plan upped this quota to a figure of 162,000 families, to be settled over a three-year period, 1982/83 – 1984/85.(186) By 1985, however, only 35,000 families had been resettled since independenc, according to official figures.(187) A number of factors have contributed to this policy/action gap.

The Lancaster House constitution committed the Government to paying compensation (at prevailing market prices and in foreign currency) for underutilized land owned by white commercial farmers if it is compulsorily acquired. It has been reported that land acquisitions had by 1985 cost the Government approximately Z$76 million.(188) To date, the land acquired has been on a willing seller-willing buyer basis, and has thus been paid for in Zimbabwean dollars. If the Government were to attempt to acquire by force the land it needs to accomplish its declared resettlement goals a foreign currency

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and balance of payment crisis would ensue.

This reasoning, however, does not explain the failure to acquire more land on a willing seller-willing buyer basis. In 1983, for instance, the budget for land acquisition was slashed from Z$25 million to Z$6 million.(189) Chidzero argued that the reason for this cut was the continuing severe drought which "places an automatic limit on resettlement".(190) This does not, however, explain why in 1985, with the drought over, the resettlement budget was slashed still further to only Z$2 million.(191) It would appear that the burgeoning defense allocation is imposing fiscal restraints on other sectors of the economy.

The Government also appears to have set itself unrealistic goals. 162,000 families in three years translates into 270,000 people per year. And as Chidzero himself recognizes, effective resettlement means more than the mere allocation of arable land.(192) The resettled families have to be integrated into their new surroundsings if the Government oft-stated goal of self-reliance is to be attained.

There are signs of increasing Government pressure on the white farming community. In 1984 notice was served of a new Land Acquisitions Bill to be presented to Parliament and Rural Development, stated that if Government were to acquire the necessary suitable land, it could not be expected to depend on the willingness to sell of the landowners.(193) Mahachi said that, their having been given notice of Government's intention to buy certain areas of land, it was hoped that owners would sell voluntarily. However, he warned:

> . . . it will equally be open to Government to repossess land from those landowners who may decide not to offer their land on willing seller/willing buyer basis.(194)

In an address to the 46th special congress of the Zimbabwe National Farmers Union in 1986, Mahachi delivered a similar warning.(195)

Statements by Moven Mahachi in 1983 suggest that, while the Government may be faced with certain unavoidable problems in the acquisition and redistribution of previously allocated land, it is taking active measures ot prevent the exacerbation of the prevailing situation. The new Land Tenure Bill presented in 1983 contained two provisions relating to the acquisition of land: the prohibition against foreign ownership of rural land in the future, and the prohibition against further

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concentration of land ownership. The first would apply to a foreign national, corporation or company with a more than 25 percent foreign shareholding. The second would prevent a person who already owned a farm larger than 600 acres from acquiring more land.(196) The Minister told the Annual Congress of the Commercial Farmers Union: "This is our step-by-step approach towards socialism".(197)

Conclusion

In the five years since independence the Mugabe government has laid considerable groundwork for the proposed socialist transformation. Primacy has been given to the consolidation by ZANU (PF) of state power. In this the ruling party has been largely successful. The former establishment of one-party rule (probably in or soon after 1990) will merely put a legal veneer on an already existing situation.(198)

There are a number of observers who, despite the ZANU government's words and deeds, still criticize from a Marxist perspective the Government's commitment to Marxist-Leninist socialist revolution.(199) Andre Astrow (1983), for example, homes in on the apparently poor record in land redistribution. In this regard it is perhaps instructive to be reminded of what Lenin himself had to say on the subject of the appropriate pace of socialist transformation:

> From the standpoint of communism, repudiation of the Party principle means attempting to leap from the eve of capitalism's collapse (in Germany), not to the lower or the intermediate phase of communism, but to the higher. We in Russia (in the third year since the overthrow of the bourgeoisie) are making the first steps in the transition from capitalism to socialism or the lower stage of communism. Classes still remain, and will remain everywhere *for years after* the proletariat's conquest of power. Perhaps in Britain, where there is no peasantry (but where petty propretors exist), this period may be shorter. The abolition of classes means not merely ousting the landowners and the capitalists — that is something we accomplished with comparative ease; it also means *abolishing the small commodity producers,* and they *cannot be ousted*, or crushed; *we must learn to live* with them. They can (and must) be transformed and re-educated only by means of very prolonged, by slow, and cautious organisa-

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> tional work. They surround the proletariat on every side with a petty-bourgeois atmosphere, which permeates and corrupts the proletariat, and constantly causes among the proletariat, relapses into petty-bourgeois spinelessness, disunity, individualism, and alternating moods of exaltation and dejection. The strictest centralisation and discipline are required within the political party of the proletariat in order to counteract this, in order that the *organisational* role of the proletariat (and that is its *principal* role) may be exercised correctly, successfully and victoriously. The dictatorship of the proletariat means a persistent struggle – bloody and bloodless, violent and peaceful, military and economic, educational and administrative – against the forces and traditions of the old society. The force of habit in millions and tens of millions is a most formidable force . . . . It is a thousand times easier to vanquish the centralised big bourgeoisie than to "vanquish" the millions upon millions of petty proprietors; however, through their ordinary, everyday, imperceptible, elusive and demoralising activities, they produce the *very* results which the bourgeoisie need and which tend to *restore* the bourgeoisie.(200)

While the Zimbabwean economy is still predominantly capitalist, the trend is clearly towards a socialist economy, i.e. a centrally-planned economy, a dominant state sector, and cooperative relations of production. There has been much rhetoric, some of it obviously designed for popular consumption. However, this should not blind one to the very real changes of a socialist orientation that have already been made.

Editorial Footnote: At the time of going to press, the *Washington Post* (June 24, 1987) reported under the heading Zimbabwean Parliament: "Zimbabwe announced that it would abolish separate parliamentary representation for the country's white minority this year and introduce a single-chamber parliament . . . . Political analysts said the planned constitutional changes were a prelude to introduction of one-party government."

FOOTNOTES

(1) See, for example, Astrow, A. *Zimbabwe: a revolution that lost its way?* Zed Press, London, 1983; Davidow, J. Zimbabwe is a success. *Foreign Policy* no. 49, Winter 1982-83, pp. 93-106.

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(2) Just such an examination forms part of the author's current research into the role of ideology in the foreign policy process in Zimbabwe.

(3) See the revised party programme, Mwenje 2, in Nyangoni, C. and Nyandoro, G. *Zimbabwe Independence Movements.* Rex Collings, London, 1979, pp. 249-265. It is instructive to compare the content of this document with its predecessor of 1964. Mwenje 1 may also be found in Nyangoni and Nyandoro, op. cit., pp. 64-71.

(4) See for example, the following articles originally published in *Zimbabwe News*, the official party newspaper: "The perspective of our revolution". Mugabe, 1983, 40-47; "ZANU carries the burden of history". Ibid., 48-58; "The role of ZANU in the struggle". Ibid., 63-69.

(5) "Zimbabwe to stand firm on foreign policy – Mangwende". *Press Statement* 330/83/AM, 12 May 1983, p. 3.

(6) "Nyagumbo outlines role of Party in socialist transformation". *Press Statement* 509/84/MA/SD, 25 July 1984, p. 6.

(7) "Civil servants should defend party policies – Nyagumbo". *Press Statement* 594/84/SC/SN, 29 August 1984, p. 2.

(8) *Prime Minister addresses Zimbabwe Economic Society, September 8, 1980.* Government Printer, Salisbury, September 1980, p. 5.

(9) See, for example: "PM addresses nation on independence eve". *Press Statement* 176/85/MA/ME, 2 May 1985, p. 6; "Prime Minister's New Year message to the nation". *Policy Statement* no. 6, December 1981, p. 8; *Press Statement* 509/84/MA/SD, op. cit.

(10) See, for example: Mugabe, 1983, 56; "Prime Minister addresses Justice and Peace Commission, February 6, 1982". *Policy Statement* no. 7, February 1982, p. 6; "The construction of socialism in Zimbabwe – Prime Minister". *Policy Statement* no. 14, July 1984.

(11) *ZANU (PF) Election Manifesto 1985*, p. 5.

(12) *Press Statement* 509/84/MA/SD, op. cit., p. 6.

(13) Ibid.

(14) *Press Statement*, 509/84/MA/SD, op. cit.

(15) Ibid., p. 3.

(16) Ibid., pp. 6-7.

(17) Ibid., p. 7.

(18) Ibid.

(19) *Policy Statement* no. 14, op. cit., p. 9.

(20) Ibid., p. 11.

(21) Ibid.

(22) Viljoen, A. "Mugabe politics – just the tip of the iceberg?". *Rand Daily Mail* (Johannesburg), 18 June 1984.

(23) Ibid.

(24) Ibid.

(25) *Press Statement* 509/84/MA/SD, op. cit., p. 2.

(26) Ibid.

(27) Ibid.

(28) "Prime Minister's New Year speech to the nation". *Policy Statement* no. 2, January 1981, p. 3.

(29) "Party will guide the State on socialist path". *The Herald* (Harare), 30 July 1985.

(30) Ibid.

(31) *Press Statement* 509/84/MA/SD, op. cit., p. 8.

(32) Ibid., p. 7.

(33) Nyangoni and Nyandoro, op. cit., p. 257.

(34) See, for example: "Our socialist programme will come from the people". Mugabe, 1983, pp. 180-194; *Prime Minister addresses Zimbabwe Economic Society, September 8, 1980,* Government Printer, Salisbury, September 1980; *Transitional*

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National Development Plan vol. 1, Government Printer, Harare, November 1982; *First Five-Year National Development Plan,* vol. 1, Government Printer, Harare, April 1986.

(35) "Socialism to benefit of majority – Mutumbuka". *Press Statement* 473/84/SD, 11 July 1984, p. 2.

(36) *Policy Statement* no. 6, op. cit., p. 8.

(37) This is not to detract from the part played by this policy in preventing the collapse of political, social and economic order in the newly independent nation. Rather it is an attempt to suggest that there might be an ideological rationale for the promotion of this policy.

(38) Yates, P. "The prospects for socialist transition in Zimbabwe". *Review of African Political Economy,* 18 1980, p. 73.

(39) "Prime Minister's New Year speech to the nation". *Policy Statement* no. 2, January 1981, p. 12.

(40) *ZANU (PF) election manifesto,* 1985, p. 9.

(41) "Prime Minister's New Year message to the nation". *Policy Statement* no. 6, December 1981, p. 1.

(42) *Economist Intelligence Unit Quarterly Economic Review of Zimbabwe, Malawi,* 4, 1981, p. 9.

(43) *ZANU (PF) election manifesto,* 1985, p. 10. See also: "Ruling party spells out its aims and achievements". *The Herald* (Harare), 10 June 1985.

(44) "Civil servants should defend party policies – Nyagumbo". *Press Statement* 594/84/SC/SN, 29 August 1984, p. 1.

(45) Ibid., p. 2.

(46) "One-party state means ZANU public service". *The Herald,* 13 September 1984.

(47) Chisaka, C. and Wetherell, I. "Mugabe on socialist transformation". *Social Change and Development* (Harare), 1, 6, 1984, p. 4.

(48) Ibid.

(49) "Cde Ushewokunze calls on police to institute change". *Press Statement* 927/83/DC/AMR, 25 November 1983.

(50) See, for example: "No police force is apolitical", the opening address to a police seminar. Reprinted in *Ushewokunze* (1984, 76-85). For a detailed treatment of Government's attempts to emasculate the judiciary, see: Weitzer, R., "In search of regime security: Zimbabwe since independence". *The Journal of Modern African Studies.* 22, 1984, pp. 529-557.

(51) *Assembly Debates,* 5, 13 July 1982, col. 633. As quoted in Weitzer, op. cit., p. 540.

(52) "Prime Minister's New Year message to the nation". *Policy Statement* no. 6, December 1981, p. 4.

(53) See: "The Party and the Government" (*Zimbabwe News* 13, 1, 1982, pp. 8-9) for an elaboration on the relationship between Party and Government in Zimbabwe.

(54) *Policy Statement* no. 6, op. cit., p. 8.

(55) "PM addresses nation on independence eve". *Press Statement* 176/85/MA/ME, 2 May 1985, p. 6.

(56) "The President opens third session of Parliament". *Policy Statement* no. 8, June 1982, p. 3.

(57) "Moderates advance". *Financial Mail* (Johannesburg), 6 January 1984, p. 32.

(58) "Prime Minister speaks to the Herald". *The Herald,* 13 January 1984. In July 1985 the Ministery of Industry and Technology was released by the Prime Minister's Office, and replaced by the Ministry of Community Development and Women's Affairs. ("Few big changes in Prime Minister's new front line". *The Herald,* 30 July 1985.)

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(59) "PM unveils plan to give povo move say in development". *The Herald*, 28 February 1984.

(60) Ibid.

(61) Nyagumbo, M. "ZANU (PF) 1980-83: Party Organisation". *Zimbabwe News* 15, 1, 1984, p. 6. For an account of the restructuring process in the various provinces, see: "Midlands provincial report", *Zimbabwe News* 14, 4, 1983, 9-11; "Mashonaland Central", ibid., p. 11; "Matabeleland provincial party congress", *Zimbabwe News* 15, 1, 1984, 7-8.

(62) For a brief description of ZANU (PF) party structure, see: "Party Structure". *Zimbabwe News* 13, 1, 1982, 24-25; and "ZANU (PF) reorganisation hindering meetings". *Zimbabwe Information Service* 1588/ZIS/82/L5/TG/DC, 8 December 1982.

(63) Mugabe, R."1985 – Year of National Consolidation". *Zimbabwe News* 16, 2, 1985, p. 6.

(64) "The Prime Minster outlines tasks for Zimbabwe's youth". *Policy Statement* no. 13, July 1983, p. 10.

(65) Ibid.

(66) Preface to the ZANU (PF) election manifesto, 1985, p. 5.

(67) See Spicer, M. "Zimbabwe". *Background Briefing* No. 20, SAIIA, Braamfontein, November 1984, p. 3, for a list of the Politburo members, including clan affiliation, cabinet portfolios and Party posts.

(68) Richard Hull (1984: 76) has pointed out that in 1983 nearly eighty percent of the then thirty-member Central Committee had been elected to Parliament, while the majority of Cabinet portfolios were held by committee members. Other observers have drawn attention to the dominance by ZANU members of the civil service (*Economist Intelligence Unit Quarterly Economic Review of Zimbabwe, Malawi*, 3, 1984, p. 7).

(69) "Zimbabwe African National Union Resolutions: Second Congress". *Zimbabwe News* 16, 1, 1984, p. 32. At the time of writing two Politburo members held briefs within the Party different to those for which they are responsible within the Cabinet. Ushewokunze is the Minister of Transport, while Didymus Mutasa is the Politburo Secretary for Transport. Bernard Chidzero (a non-Politburo Minister) is Minister of Economic Planning and Finance, while Enos Nkala holds the Politburo post for the economy. It is not clear who dominates – the minister or the politburo member.

(70) Meldrum, A. "Zimbabwe to move towards one party state". *African News* XXIII, 7-8, 27 August 1984, pp. 1-2. A brief account of the composition and functioning of the Economic Affairs Committee of the ZANU (PF) Politburo has been given by its Chairman, Enos Nkala. See: "Party must have say in economy, says Nkala". *The Herald*, 14 September 1985.

(71) Legun, C. "Mugabe: Turning the soil". *Sunday Tribune*, 12 August 1984.

(72) "Zimbabwe African National Union Resolutions: Second Congress". *Zimbabwe News* 16, 1, 1985, p. 33.

(73) "Editorial". *Zimbabwe News* 16, 1, 1985, 0. 3.

(74) "Zimbabwe African National Union Resolutions: Second Congress". *Zimbabwe News* 16, 1, 1985, p. 32.

(75) Ibid.

(76) Muzenda reportedly told a 1983 party provincial meeting in Matabeleland that "Most provinces in Zimbabwe can boast of being a one-party state – except Matabeleland". "Mugabe promises to work towards one-party state". *Sunday Express* (Johannesburg), 18 December 1983. Muzenda urged ZANU officials in that province to bring it into line with the rest of the country, arguing that "the distinction of a one-party state in most provinces in the country cannot be extended to Matabeleland".

(77) At the time of writing both were still in detention, despite having been acquitted on charges of treason.

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(78) *Economist Intelligence Unit Quarterly Economic Review of Zimbabwe, Malawi* 3, 1984, p. 7.

(79) "Violent protesters force Nkomo to cancel campaign stop". *International Herald Tribune*, 21 January 1985.

(80) "Zim press gagged, Nkomo". *Botswana Guardian* (Gaborone), 8 March 1985.

(81) "Nkomo stoned, teargas fired in election battle". *The Citizen* (Johannesburg), 18 February 1985; "Early bruising for Nkomo in election fight". *The Star*, 28 February 1985.

(82) "Fear of poll terror grows in Harare". *The Star*, 28 February 1985.

(83) Meldrum, A. "Bulawayo is sealed off and searched". *Guardian* (London), 10 March 1985.

(84) Ibid.; "Hiccups for Mugabe on road to poll victory". *Financial Times* (London), 11 June 1985.

(85) Hartnack, M. "Mugabe zealots prevent rally". *Cape Times* (Cape Town), 17 June 1985.

(86) "Fear of poll terror grows in Harare". *The Citizen*, 28 February 1985.

(87) Drew, R. "Early bruising for Nkomo in election fight". *The Star*, 23 January 1985.

(88) Raath, J. "Mugabe supporters begin campaign of reprisals against opposition voters". *The Times* (London), 9 July 1985.

(89) One resident claimed that mobs were operating from a prepared list of names. "Homeless stream out of Harare townships". *Rand Daily Mail* (Johannesburg), 11 July 1985.

(90) Raath, J. op. cit.

(91) Hartnack, M. "Police lying low as ZANU mobs beat and burn". *Business Day* (Johannesburg), 10 July 1985.

(92) "Rampaging mobs kill and burn in Harare". *The Citizen*, 10 July 1985.

(93) Cargill, J. "Political violence flares in Zimbabwe. *The Weekly Mail* (Johannesburg), 30 August 1985; "Crackdown on ZAPU after alleged plot". *Sunday Times* (Johannesburg), 15 August 1985; "Five MPs in jail in Zimbabwe crackdown". *The Star*, 21 September 1985.

(94) Raath, J. "Threat to wipe out ZAPU". *The Times* (London), 20 September 1985.

(95) Raath, J. "Zimbabwe black voters impose one-party rule on half country". *The Times* (London), 13 July 1985.

(96) "Zimbabwe: the one-party state issue". *Background Briefing* No. 27, South African Institute of International Affairs, Braamfontein, January 1986, p. 4.

(97) "First Secretary holds victory press conference". *Zimbabwe News* 16, 6, 1985, p. 7.

(98) "Training of people's militia stepped up". *The Herald*, 27 September 1983.

(99) Ibid.

(100) "Militia are early warning systems – Ndangana". *Press Statement* 698/84/MA, 15 October 1984, p. 2.

(101) Ibid.

(102) "Militia will protect socialism – Sekeremayi". *Press Statement* 659/84/MA/SC, 24 September 1984, p. 1.

(103) "The President's speech on the third anniversary of Independence". *Policy Statement* no. 10, April 1983, p. 6.

(104) "Ministry plans to beef up youth brigades to 1 million". *The Herald*, 3 July 1985.

(105) "Success of socialism depends on people's understanding – Muzenda". *Press Statement* 684/83/DB/GR, 16 September 1983, p. 2. See also: Chisaka, C. and Wetherell, I., "Mugabe on socialist tranformation". *Social Change and Development* 1, 6, 1984, 2-5; "Schools in socialist vanguard", *Sunday Mail*. 18 September 1983.

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(106) "The Prime Minister's speech to ecclesiastical leaders". *Policy Statement* no. 11, April 1983, p. 1.

(107) Ibid.

(108) "Prime Minister addresses Justice and Peace Commission". *Policy Statement* No. 7, February 1982, p. 6.

(109) "The mass media system in Zimbabwe serves national interests". *Afrika* XXV, 8-9, 1984, p. 35.

(110) Ibid.

(111) "Reliable telecommunication stimulates rural development". *Press Statement* 135/85/AM/ME, p. 2.

(112) See, for example, Mark Senjelesi's "Fallacies of the one-party state" (*Sunday Mail*, 3 February 1985) an all-too-rare article supportive of multi-party democracy.

(113) Shamuyarira, N. "The mass media and the new order in Zimbabwe". *Zimbabwe News* 15, 2, 1984, p. 23.

(114) "Prime Minister's New Year message to the nation". *Policy Statement* no. 6, December 1981, p. 4.

(115) Shamuyaria, N. op. cit. *Zimbabwe News* 15, 2, 1984, p. 22.

(116) "President calls on journalists to serve the nation". *Press Statement* 66/86/RN/SG/BCC, 31 January 1986, p. 2.

(117) Ibid.

(118) Shamuyarira, N. "The mass media and the new order in Zimbabwe". *Zimbabwe News* 15, 2, 1984, p. 23.

(119) Zimbabwe's media shun Nkomo case". *The Star*, 23 February 1983; Mugabe is muzzling us, opposition parties say". *The Citizen*, 10 November 1983.

(120) Zim press gagged, Nkomo". *Botswana Guardian*, 8 March 1985.

(121) *Africa Contemporary Record*, 1982-83, p. B897.

(122) "Hiccups for Mugabe on road to poll victory". *Financial Times* (London), 11 June 1985.

(123) One correspondent reports that while there is no direct Government involvement in editorial decision-making, there is some kind of self-censorship among the journalist themselves. Often when a report is too critical of the ruling party, the editor either vetoes it, or cuts out the controversial or unpalatable aspects of the story. ("Zim press gagged, Nkomo". *Botswana Guardian*, 8 March 1985.)

(124) On the one-party state issue, for example Musarurwa frequently published articles both supportive of and critical of the adoption of such a system in Zimbabwe.

(125) "School must produce socialists says Premier". *Press Statement* 721/84/GR/ME. 22 October 1984.

(126) "Teachers should take part in politics". *Press Statement* 686/83/RC/DB/GR, 16 September 1983.

(127) "Mutumbuka warns uncooperative teachers". *Press Statement* 521/83/SN, 25 July 1983, p. 6.

(128) Ibid.

(129) Culverwell, J. "Phenomenal developments in education: 1980-83 and beyond". *Zimbabwe News* 15, 1, 1984, p. 21.

(130) "Education: achievements and the future". *Moto* 33, 1985, p. 4.

(131) Gwarinda, T.C. *Socialism and Education: an introduction.* The College Press, Harare, 1985. See also: Culverwell, J., "The relevance of Education with Production in Zimbabwe". *Zimbabwe News* 15, 2, 1984, 17-20.

(132) "Mutumbuka warns uncooperative teachers". op. cit, p. 4.

(133) Ibid. He called for these "to be matched by equally socialist programmes of adult education outside the formal system" (ibid.).

(134) See, for example: Beach, D. "*Zimbabwe: a new history for primary schools*". The College Press, Harare, 1982; and Chirenge, J.M. *A history of Zimba-*

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bwe for primary schools. Longman, Harare, 1982. Ian Phimister, a noted Zimbabwean historian, is scathing in his assessment of 'new' Zimbabwean historiography. See: "Pasi ne (down with) class struggle? The new history for schools in Zimbabwe". *Hsitory in Africa* 11, 1984, 367-374.

(135) "The quest for a meaningful education". *Zimbabwe News* 14, 2, 1983, p. 13. Certainly the new texts for teacher education emphasise scientific socialist pedagogy. See for example: Gwarinda, T.C. *Socialism and education: an introduction*. The College Press, Harare, 1985; and Chung, F. and Ngara, E. *Socialism, education and development — a challenge to Zimbabwe*. Zimbabwe Publishing House, Harare, 1985. Both texts have the stamp of approval of the Ministry of Education. Indeed, the latter books was publicly launched by Mutumbuka himself ("Mutumbuka launches book on socialiam". *Press Statement* 46/86/SG/MA, 24 January 1986).

(136) Ibid.

(137) "Zimbabwe African National Union Resolutions: Second Congress". *Zimbabwe News* 16, 1, 1985, p. 33.

(138) Mugabe, R.G. "Wide-ranging review of the activities of the Party in 1985". *Zimbabwe News* 17, 2, 1986, p. 22.

(139) An interesting illustration of this may be found in the area of direct foreign investment in Zimbabwe. Apart from the Heinz venture there has been very little investment in Zimbabwe since independence. Yet the Government continues to refuse a more accommodating stance towards foreign investors.

(140) "Nkala calls for gradual realistic change to socialism". *Press Statement* 485/84/SC/SD, 13 July 1984, p. 1.

(141) ZANU's doctrinal position on this issue — as reflected in its major statements on economic policy — is that the present period is one of laying the groundwork for a transition to socialism. It is conceded, if not asserted, that the attainment of socialism is some considerable way off.

(142) For an extended treatment of this theme, see: "The second phase of our revolution". *Zimbabwe News* 14, 2, 1983, 6-8; "Prime Minister addresses Zimbabwe Economic Society, 8 September 1980". Minister of Information and Tourism, Causeway, September 1980. Also: "Shamuyarira: economic independence is now the battle . . . ". *Moto* 32, 1985, 3-4.

(143) "Prime Minister's New Year speech to the Nation". *Policy Statement* no. 2, December 1980, p. 3.

(144) *Transitional National Development Plan* vol. 1, November 1982, p. i.

(145) Ibid.

(146) "Prime Minister's New Year message to the nation". *Policy Statement* no. 6, December 1981, p. 8.

(147) Transitional National Development Plan, op. cit. Especially Chapter Three, "New Social Order", 17-21.

(148) One local economist estimates the state's share in the economy to be in the region of 40% — up from 30% at independence (Hawkins, 1985: 39). This willingness to undertake direct investments in private enterprise has been an important feature of public policy. Asignificant corollary of these investments was disinvestment by foreigners, particularly South Africa, the net effect having been to localize control in line with stated government policy.

(149) In 1982 it acquired a forty percent controlling equity participation in the Wankie Colliery Company, and in 1984 took over all of the local mining assets of the South African-based Messina Group. This is consistent with the Government's declared policy of decreasing foreign control over all sectors of the economy. In 1981 the authorities retracted permission given for a merger between Turnall Holdings and Mashonaland Holdings upon learning that the move would mean that Mashonaland Holdings would become non-resident controlled (*Economist Intelligence Unit Quarterly Economic Review of Zimbabwe, Malawi,* 2, 1981, p. 12).

(150) "The President's speech on the third anniversary of Independence". *Policy*

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Statement no. 10, April 1983, p. 7.

(151) Hawkins (1985: 44) notes the significance of this trend at a time when many other African countries – Zaire, Somalia, Ghana, Nigeria, Mozambique and Tanzania – appear to be committed to a reduction in state intervention and enhanced reliance on market forces, the privatization of some state-owned enterprises, etc.

(152) "we are against super-profits, says PM". *Press Statement* 92/85/SC/MA, 14 March 1985, p. 4.

(153) "The President's speech at the opening of the First Session of the Second Parliament of Zimbabwe". *Policy Statement* no. 15, 23 July 1985, p. 4.

(154) Drew, R. "More grist to Mugabe's socialist mill". *The Star*, 27 February 1985.

(155) "President addresses nation on independence anniversary". *Press Statement* 151/85/SC, 16 April 1985, p. 11.

(156) Mugabe, R. "Zimbabwe African National Union: Central Committee Report". *Zimbabwe News* 16, 11, January 1986.

(157) "First Secretary holds victory press conference". *Zimbabwe News* 16, 6, 1985, p. 5.

(158) "State planning bigger role in private sector". *The Herald*, 3 August 1985. In 1983 Chidzero had said that it was only the impact of the drought on Government spending that was preventing an increased Government participation in the private sector. ("Dr. Chidzero discusses his budget". *The Financial Gazette* (Harare), 9 September 1983).

(159) Transitional National Development Plan. Op. cit., p. i. This plan in fact provides for an imput by the private sector of 41 percent towards the attainment of the plan's goals.

(160) "Prime Minister's New Year message to the nation". *Policy Statement* no. 6, December 1981, p. 7.

(161) Transitional National Development Plan. Op. cit., p. i.

(162) "The President's speech at the opening of the First Session of the Second Parliament of Zimbabwe". op. cit., p. 3.

(163) Drew, R. "Strife over Zimbabwe labour law". *The Star*, 1 February 1985. Mbeki, M. "Where is workers' right to strike?". *Sunday Mail* (Harare), 10 February 1986.

(164) See, for example, Lenin (1950: 36) on the inevitability of "a *certain* reactionism" in the trade union movement that has to be controlled by the Party.

(165) Mugabe, R. "Wideranging review of the activities of the Party in 1985". *Zimbabwe News* 17, 2, 1986, p. 21. See, also: "Mugabe on socialist transformation", op. cit.

(166) Ibid.

(167) "PM on pay increase". *Press Statement* 179/85/SM/SD, 2 May 1985.

(168) "ZCTU article to Zimbabwe News". *Zimbabwe News*, January 1986.

(169) Ibid., p. 13.

(170) Ibid.

(171) Ibid.

(172) *Transitional National Development Plan* vol. 1, op. cit. p. 18.

(173) "Chidzero praises big growth in cooperatives". *The Herald*, 8 November 1983.

(174) Mathema, N.C.G. "Zimbabwean cooperatives, 5 years after". *Social Change and Development*, 10, 1985, p. 18.

(175) Ibid.

(176) "Unemployment on the increase – Mudzingwa". *Press Statement* 636/85/SM/BC, 13 December 1985, p. 4. See also: "Production of wealth should preceed its distribution – Mahachi". *Press Statement* 513/84/BC/EM, 23 July 1984.

(177) "Unemployment on the increase – Mudzingwa", op. cit., p. 3.

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(178) "Few big changes in Prime Minister's new front line", *The Herald*, 30 July 1985.

(179) Mugabe, R. "Zimbabwe African National Union Central Committee report". *Zimbabwe News* 16, 1, 1985, p. 29. In 1986 Nyagumbo revealed further plans for the establishment of this college. In this connection he declared, "we now place cooperative management and administration as the most important factor for the success of modern cooperative ventures". ("plans underway for co-operative bank". *Press Statement* 112/86/BC, 27 February 1986, 0. 4.)

(179) Mathema, N.C.G. "Zimbabwean cooperatives, 5 years after", op. cit., p. 18.

(180) "Plans underway for co-operative bank". *Press Statement* 112/86/BC, 27 February 1986, p. 3.

(181) "President addresses nation on independence anniversary". *Press Statement* 151/85/SC, 16 April 1985, p. 6.

(182) Ibid.

(183) "The President's speech at the opening of the First Session of the Second Parliament of Zimbabwe". *Policy Statement* no. 15, 23 July 1985, p. 6.

(184) "Unemployment to continue – Chidzero". *Press Statement* 648/83/RC/AM, 6 September 1983, p. 3.

(185) Ibid., p. 6.

(186) Sparks, A. "Zimbabwe solving its land problem". *The Star*, 21 December 1983; Frankel, G. "An African success story". *The Guardian*, 16 December 1984; Barrell, H. "Footsie-footsie approach to nationalisation". *Weekly Mail*, 18-24 October 1985.

(187) *Transitional National Development Plan*, vol. II, May 1983. Government Printer, Harare, p. 3. A family is assumed to constitute on average five members.

(188) "Over 35,000 families resettled". *The Herald*, 12 June 1985.

(189) "President addresses nation on independence anniversary". *Press Statement* 151/85/SC, p. 5.

(190) Frankel, G. "An African success story". *The Guardian*, 16 December 1984.

(191) "Dr. Chidzero discusses his Budget". *The Financial Gazette*, 9 September 1983.

(192) Frankel, op. cit.

(193) "Unemployment to continue – Chidzero", op. cit., p. 3.

(194) "No arbitary land acquisition says Mahachi". *Press Statement* 540/84/GR/BC/SN, 2 August 1984, p. 2.

(195) Ibid.

(196) "Minister warns farmers on unutilised land". *Press Statement* 6/86/SM/BBC/SG, 9 January 186, p. 6.

(197) "State policy on land is spelled out". *The Herald*, 28 July 1983.

(198) Ibid.

(199) The Zimbabwean Premier himself has intimated as much (Mugabe, R. "The Parliament of Zimbabwe and some aspects of the Constitution". *The Parliamentarian* LXV, 1, 1984, p. 6).

(200) An extended critique from just such an angle may be found in Astrow, A. *Zimbabwe: A revolution that lost its way?* Zed Press, London, 1983.

(201) Lenin, V.I. *"Left-Wing" Communism, an infantile disorder*, Progress Publishers, Moscow, 1968, pp. 29-30.

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PRC/EASTERN EUROPEAN RELATIONS AND EAST EUROPE'S VIEWS ON CHINA'S ECONOMIC REFORMS

By Pi Ying-hsien

Ever since its establishment in 1949, the Chinese Communist regime has maintained special relations with the East European bloc nations.(1) However, during the era of Joseph Stalin, Communist China had as yet formed no clear policy toward East Europe — so far away from China and under the grip of the U.S.S.R. — and prior to 1953 the PRC was too busy with the war in Korea to pay much attention elsewhere. Consequently, a distinctive East European policy took shape only after the death of Stalin and the end of the Korean War.

Until that time Peking had expected the East European states to work in unison against the West, and to embroil the U.S. and the U.S.S.R. in the Berlin and German tangle so as to achieve greater freedom of action vis-a-vis Moscow. Yet during the de-Stalinization movement Peking reacted cautiously so as not to impair Soviet influence over the East European nations. During the 1956 Hungarian revolution, the Peking leadership backed Moscow and urged Nikita Khrushchev to use force against Budapest to suppress the uprising. At that time, the Chinese Communists were still adhering to the principle that the Soviet Union should maintain indisputable leadership over East Europe.

From 1960 onwards, it became clear that Soviet leaders had no intention of confronting the U.S. head-on, and sought "peaceful coexistence" instead. The Red Chinese began shifting their policies toward East Europe, utilizing numerous channels to win and enlist East European support in their quarrel with the Soviets. Nothing much came out of the new approach because the Soviet sway over East Europe was too strong. The only exception was Albania, which broke with Moscow, not because of PRC efforts but rather because of Albanian leader Enver Hoxha's deep hatred of Yugoslavian Communist Josip Broz Tito, and his concern about the unfavorable consequences for Albania of a detente between Moscow and Belgrade. Due to these considerations, Albania had to stand on the side of Peking in its dispute with Moscow.

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Relations between Peking and Eastern Europe underwent a dramatic change when the Chinese Communists broke with the Soviets in 1963. From 1963 to 1964, Red Chinese organs *People's Daily* and *Red Flag Journal* carried nine articles stressing the dangers of "modern revisionism" in a bid to isolate the Soviets in the international communist movement. These articles were declared "guideline documents" at the 9th plenum of the Chinese Communist Party in August 1966. Peking was bent on sowing discord between East European communist states and the Soviet Union, so that it would lead in the world communist movement and make Mao Tse-tung thought the mainstream of international communist ideology.

In the latter half of 1966, seeing that its ideology and political principles were gaining ground in some East European states and among communist parties elsewhere, Red China abruptly increased pressure on the pro-Soviet East European communist bloc. On September 4, the *People's Daily* said in an editorial, "instead of going by facts and truths, some fraternal parties vilify China following the baton of Moscow." It made a sweeping attack on Czechoslovakia, Bulgaria, East Germany, Hungary and Poland. In various statements emanating from Peking, "great-power chauvinism" carried out by the Soviet Union to dominate the East European bloc was always the main theme. These nations were exhorted to struggle to achieve a genuine independence from the Kremlin.

When Pro-Soviet East European communist nations ignored such arguments from Peking, Red China attempted various retaliatory measures. In November 1963, it notified the East German government that it would be impossible for the two sides to hold talks on trade in 1964 if East Germany did not stop attacking Chinese leadership and its policies. In the summer of 1963, Peking distributed certain propaganda literature in Hungary, which drew a protest from Hungarian authorities to the Red Chinese embassy in Budapest. The protest was rejected as interfering with Red Chinese domestic affairs.(2)

In 1964 Peking softened its denunciations of pro-Soviet comcommunist states in East Europe. Apparently realizing that a frontal assault would not do much good, the Chinese shifted to a new strategy.(3) In a Central Politburo directive, it was resolved to secure normal links with all communist nations except the U.S.S.R., so as to concentrate all effort on the struggle against the Soviets.(4) Different policies would be

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applied to different East European states.

In December 1964, Peking indicated that it would expand and ameliorate governmental ties with East Germany. Similar expressions were made to Hungary in early 1965. Basically, Red China was interested in developing economic, scientific and technological cooperation with selected COMECON member nations. Red Chinese trade with East Germany began to grow in 1964, with Hungary in 1965, with Bulgaria in 1966. From 1967 to 1968, Red China's trade with most East Europe expanded slightly. Its relationship with Albania remained unique. In the wake of Albania's severance of all ties with the Soviet Union, Peking made every effort to enlarge bilateral trade relations, and by 1963, trade volume between Red China and Albania accounted for 54.7% of the latter's total foreign trade. In 1966, two-way trade amounted to 110 million rubles, 13.5 times that of 1960. Under an agreement dated June 8, 1965 Peking granted Albania a new loan totalling 60 million rubles. It has been alleged that Tirana's unilateral foreign trade ties with Red China adversely affected the Albanian economy, resulting in sluggish development of industry,(5) and shortly afterwards conflicts appeared in the economic links between Peking and Tirana. Red China had pledged to assist Albania in establishing 21 enterprises, but commitments were delayed in the third year of Albania's third five-year plan. For instance, from 1964 to 1965, eleven enterprises should have been started according to the plan, yet only four were ready for operation. In its fourth five-year plan Albania had expected Peking to lend 150 million rubles, but the Chinese actually gave only a quarter of that amount. According to estimates by Western economists, by the year 1966 Albania owed Peking a total of about 700 million U.S. dollars in loans and trade related debts.(6)

In the meantime, Red China's links with Rumania also underwent some improvement. The feelings in Rumania were that it would stand to benefit as long as Peking and Moscow kept on quarreling without actually breaking up. In this light, Rumanian Premier Maurer visited Peking in March 1964. Although failing to achieve anything concrete in his mission, Maurer had boosted Rumanian standing and improved the relative relationship between Bucharest and Moscow. Noteworthy is the fact that, in a communique issued on April 24, 1964 Rumania supported the Soviet Union on major issues while criticizing both Moscow and Peking on the Sino-Soviet

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dispute. In the era of Stalin such a position would have been utterly impossible.

Red Chinese leaders slowly came to realize that Rumanian challenges to Moscow could be exploited. Whenever the opportunity offered, they expressed support for Rumania's independent line, a task not very difficult to do as Peking and Bucharest held virtually identical views on at least one subject — both insisting that each country had the right to exploit its economic resources in its own ways. Before long, Chinese support for Rumania shifted from the economic field to the political arena. On July 10, 1964, meeting with representatives of the Japanese Socialist Party (Communist), Mao Tse-tung stated the Russians had not only seized territories in Asia, but that they had done the same thing in East Europe. He pointed to the Soviet seizure of vast expanses of land from Rumania, from Poland by annexation into Soviet territory, while much of East Germany had been turned over to Poland as compensation. The same thing had happened in Finland.(7) Bolstered by Mao Tse-tung's assertions, Rumania pressed its territorial demands in an attempt to recover Bessarabia (now the Moldavian Republic of the Soviet Union).(8) At the same time, it continued to reject the call for integrating COMECON with the Warsaw Pact.

In the years 1963 to 1965, after going through a short period of decline, Sino-Rumanian economic cooperation quickly returned to a very active state. Bilateral trade rose 16% in 1966 compared to 1960.

Impact of the Cultural Revolution

The outbreak of the Great Cultural Revolution in 1966 left Communist China almost totally isolated in the world community, East European nations included, as virtually all Peking's ambassadors were recalled. At their 9th national congress held in 1967, the Chinese leaders made an assessment of the East European communist states. Their conclusion was that only Albania was a genuine socialist country, while the remainder were subject to social imperialist domination and exploitation. Peking news media denounced the leading hierarchies of East Germany, Poland, Bulgaria, Hungary, Czechoslovakia and Yugoslavia as a part of a "revisionist bloc."(9) Peking and Bucharest maintained relations on the level of charge d'affaires, but in 1967 Red China suspended all cooperation with Rumania in science and technology, which was not resumed until Oct-

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ober 1970. Meanwhile, it avoided referring to Rumania as a socialist country.

During the Cultural Revolution, Red Guards constantly harassed East European embassies in Peking. On January 29 and 30, 1967, a mob rioted in front of the Yugoslavian embassy shouting anti-Yugoslavian slogans, burning an effigy of Tito. Between January and July 1967, diplomats of Czechoslovakia, East Germany, Bulgaria, Hungary and Poland were insulted. The East European nations protested against their diplomatic representatives being molested by the Red Guards, but their protests were ignored. To justify conduct contrary to international norms, the Red Chinese authorities dismissed diplomatic immunity as a residue of capitalist system and defended the activities of the Red Guards as "absolutely justifiable revolutionary conduct." On July 14, 1967 a spokesman of the Chinese Foreign Ministry issued a statement banning imperialist, revisionist and reactionary correspondents and diplomats stationed in the PRC from using big character posters, red guard papers and handbills as the source of their reports, saying that these were purely "internal affairs of the revolutionary masses."(10)

During the tumultuous Cultural Revolution, embassy personnel of pro-Soviet East European countries became victims of unbearable treatment, and the various governments concerned cut the number of their embassy staff in Peking. Diplomats were instructed to send their families home, and those left behind were subjected to strict limitations on their movement. All sources of news were virtually blocked.

In propaganda to the pro-Soviet East European states, Peking appealed to the general public of these nations to rise up and topple their "modern revisionist" governments.(11) From 1966 to 1969, Peking deliberately let it be known that it had links with undergound organizations in Poland, Yugoslavia, Czechoslovakia and Outer Mongolia. These underground organizations, it claimed, had the objectve of overthrowing revisionist leadership.(12)

In the Fall of1966, all East European students studying in China were repatriated, in contravention of earlier cultural agreements concluded with East European nations. In reprisal, most of these states suspended academic programs for Red Chinese students in their own countries. Only two East European countries retained cultural ties with China. In October

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and November 1968, a delegation from Albania's Tirana University visited mainland China. In May the same year, the PRC staged an art show in Tirana. Peking also exchanged some cultural activities with Rumania, and signed a protocol with Albania on cooperation in science and technology.

In the meantime, there was a change of direction in Peking's economic relations with East European states, particularly in the field of trade. Trade with communist countries accounted for only 23.8% of Red China's total foreign trade in 1969, while that with Western capitalist countries took up the lion's share of 76.2%. Trade with most East European states declined drastically in 1967. For example, compared to 1960, trade with Poland declined twofold, with Czechoslovakia 6.3 times, with Bulgaria down sixfold, with East Germany down 2.9 times, with Hungary down 4.1 times.(13)

According to the Spring 1968 Report, the CCP Central Foreign Relations Committee issued a directive calling for an all-out struggle against the U.S.S.R. to shake the solidarity of the Soviet bloc, foment the divisionist tendency of pro-Soviet East European countries and bolster the centrifugal forces within the world socialist system.(14)

In 1968, the democratization movement known as "the Prague spring" arose in Czechoslovakia. In August, the Soviets lined up troops from Poland, East Germany, Hungary and Bulgaria, hoisted the banner of the Warsaw Pact, and invaded Czechoslovakia to suppress the movement and reform the government. The incident prompted Peking to revamp its East Europe policy. No other country was more virulent in excoriating the Soviet invasion of Czechoslovakia than Communist China. At the same time, Peking assured Albania it would not allow Soviet aggression in that country. Albania was very uneasy over the Czechoslovakian incident and was quite sensitive to the Soviet-pronounced "limited sovereignty." On September 13, Enver Hoxha announced the withdrawal of his country from the Warsaw Pact. In fact this was just a token move as Albania had not participated in Warsaw Pact activities since 1960. On September 25, Hoxha dispatched his defense minister Beqir Balluku to Peking to attend the October 1 National Day celebrations, and on December 12, Huang Yung-sheng indicated at a banquet that China and Albania "forever united, will fight together for a common victory."

The Czechoslovakia incident had not only aggravated Sino-

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Soviet relations, it had pushed Albania deeper into the arms of Red Chinese protection. Nevertheless, Albania handled its domestic politics in a more moderate way than Peking. Although Hoxha praised the role of Mao Tse-tung and every step of the Cultural Revolution, he had never transplanted these Chinese experiments into his own country.

New Chinese-East European Ties

In 1969, however, Red China concluded new trade agreements with those East European states which had participated in military intervention in Czechoslovakia. During that year, Peking pointedly avoided making broadside attacks on East European leaders. On the occasion of the May 9 Czechoslovakian National Day, the Chinese Communists sent a cable of congratulations, something they had not done in several years.

From 1970 to 1971, Peking once again readjusted its foreign policy to break the international isolation caused by the Cultural Revolution. In 1970, Red China restored ambassadorial diplomacy with the Soviet Union. In August 1971 relations on the ambassadorial level were also resumed with East European countries. Red Chinese ambassadors first emerged in Tirana and Bucharest before being posted to other countries. The whole process of diplomatic normalization took almost two years to complete. With ties normalized, trade with East Europe gradually recovered. By 1971, it had signed long term contracts with more East European states and resumed participation in trade fairs held in some East European countries. In the early 1970s, Peking provided loans to Albania and Rumania for them to purchase equipment manufactured in the PRC.

Before normalizing ties with the Soviets, the Chinese Communists restored and expanded relations with East European nations, obviously a reflection of what the Kremlin called the "differential treatment" policy aimed at excluding dealings with the East European countries from the realm of Sino-Soviet relationship. Red Chinese diplomats and foreign policy-makers took pains to convince the East Europeans that Peking had no conflict with small nations.

Red China's foreign policy aroused the interest of Yugoslavia, which lauded Peking's position toward the non-alignment movement, describing it as a positive and constructive change in attitude.(15) In fact, since early 1969 there were signs of initial improvements in bilateral economic links. High

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level trade delegations from both countries visited each other in 1970, the first time since 1958. Trade between Red China and Yugoslavia rocketed to US$14 million in 1970. Bilateral diplomatic ties were upgraded to the ambassadorial level.

In June 1971, Yugoslavian Foreign Minister Mirko Tepavac journeyed to Peking where he held meetings with Chou En-lai and others. In a joint communique issued afterwards, both sides indicated that regardless of diverse social systems or the size of their territories, various nations must respect one another's sovereignty and territorial integrity, develop their relations based on the principles of mutual non-aggression, mutual non-interference of domestic affairs, equality and mutual benefit, and peaceful coexistence. The two countries expressed the desire to continue making efforts to expand the friendly relationship between them, to increase contacts, and develop economic, scientific and cultural cooperation.(16)

The improvement of economic ties and of diplomatic relations between Peking and Belgrade resulted from an abrupt change in bilateral political relations. When a Sino-Soviet border skirmish occurred in Spring 1969, Yugoslavia maintained a stand of neutrality. In autumn that year, Yugoslavian commentators began to note that flexibility was being restored in Peking's foreign policy. Meanwhile, Belgrade supported Red China's admission to the United Nations. Toward the end of 1970, the Yugoslavian Communist Alliance (Communist Party of Yugoslavia) affirmed mainland China's role in international affairs.

On the other side of the coin, Peking abandoned its anti-Yugoslavian position, to which it had adhered for as long as 12 years, and recognized Yugoslavia as a socialist state. Relations between the two countries went through a complete circle from 1958 to 1970. What the Yugoslavians had aspired to in 1949 — a common stand with the Chinese in opposing the Soviets — had finally been realized. Belgrade expressed its warm welcome for Peking's political backing. Both sides understood that their collaboration was limited, just as Chou En-lai had told a Yugoslavian correspondent: "Water from afar can't quench a nearby fire."(17) At the time, Yugoslavia was still feeling the pinch of Soviet threats.

Peking's change of attitude towards Yugoslavia stemmed from an anxiety to restore foreign relations after the climax of the Cultural Revolution. It also sought a resumption of limited

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contacts with the Soviet Union. At the same time, in the wake of the 1968 Czechoslovakian incident, Red China still contemplated fanning anti-Soviet sentiments in East Europe. Following a Moscow treaty, signed between West Germany and the U.S.S.R. in August 1970, Communist China pronounced itself protector of East Germany. In the December 1970 Poland incident, it played the role as guardian of Polish sovereignty. Meanwhile, it continued to be a supporter of Rumania and Albania. Against such a backdrop, it made efforts to help Yugoslavia – still considered to be an unacceptable revisionist at the time – to rid itself of Soviet shackles.(18)

Peking had been on good terms with Rumania in the mid-1960s, and Rumania maintained neutrality in the Sino-Soviet dispute,and on several occasions actually tried to mediate in the feud. In June 1971, Rumanian party and government leader Ceausescu visited mainland China. In a joint communique Peking pledged support for Rumanian endeavor to "assure security in Europe and prevent any aggression against nations, through the use of force and the threat of force." For their part, the Rumanians declared "it would be impossible to thoroughly resolve major issues in international life" without the participation of China.(19)

In May 1978 Ceausescu travelled to Peking again. The two sides signed a long term agreement on economic and technological cooperations. In August the same year, Red Chinese leader, Hua Kuo-feng, paid a return visit to Rumania. The two sides agreed to set up a joint committee on economic and technical cooperation. They signed an agreement on scientific and technological cooperation and a treaty of cooperation in tourism. In November the next year, a Red Chinese party delegation attended the 12th Congress of the Rumanian Communist Party, signifying restoration of party-to-party links. Other than that, in the late 1970s various delegations from the two countries constantly visited each other. There were exchanges and cooperative programs in politics, economics, science and technology, cultural activities, education and sports.

The pace in the warming of Sino-Yugoslavian relations picked up since the mid-1970s. In October 1975, Dzemal Bijedic, chairman of the Yugoslavian Union Executive Committee, went to Peking and met with Mao Tse-tung. In September 1977, Marshall Tito visited Communist China – his first and last tour of the Far East. This pushed relations between

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Peking and Belgrade to a new phase of full development as the two communist parties restored relations. Concluding his visit to Rumania in August 1978, Kau Kuo-feng proceeded to Belgrade, where he signed an agreement on the establishment of a Sino-Yugoslavian committee for economic, scientific and technological cooperation .

In his capacity as party chief and premier, Hau Kuo-feng led a delegation that toured Rumania and Yugoslavia. The visit had attracted world attention and aroused strong reaction from the Kremlin, which viewed Hua's expedition as an anti-Soviet attempt to sow discord among the nations and peoples of the Balkans and an attempt to set up a strategic political base there. (20) Soviet criticism of Hua's presence in Yugoslavia so displeased Tito that he personally retorted: "As if our setting ties with China were an egregious mistake. They specifically chastised our news media for failing to draw a line with Hua Kuo-feng . . . We are very shocked at such thinking by certain people in the Soviet Union."(21) In point of fact, Peking's cultivation of ties with Yugoslavia had been designed not only to reach out to East Europe and thereby undermine Soviet dominance in that part of the world, but also to achieve another goal as well, i.e. to improve ties with the "non-aligned" nations through Yugoslavia.

Peking's Split with the Albanians

Renewed friendship between Peking and Belgrade with all party and government links restored naturally displeased the Kremlin. It also caused discomfort to Albania. Although there were other factors contributing to the rupture between Peking and Tirana in the late 1970s, Sino-Yugoslavian detente could not be ruled out as a contributing cause.

After the Soviets pulled out of Albania in 1961, the Red Chinese stepped in and gave Albania assistance to help it pull through a crisis brought on by the suspension of Soviet aid. On the other hand, throughout the Cultural Revolution when Communist China was virtually isolated in the world it could count on Albania as its only close ally. Albania became a a propaganda platform, a base of activity for communist parties or splinter groups sympathetic to the Chinese Communists. Hence Hoxha, first secretary of the Albanian Communist Party had termed the friendship between the two nations and the two parties of China and Albania as "forever green."(22)

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Friendship between Peking and Tirana was not quite "forever green." In 1971 the Chinese Communists began warming up to the U.S. to the displeasure of the Albanians, who were also disheartened over Peking's inability to push the world Marxist-Leninist movement because of its own internal instability. Teng Hsiao-ping's first rehabilitation in early 1975 had aroused the dissatisfaction of the Albanians who regarded Teng as an "unreformed rightist." They were even unhappier with Teng Hsiao-ping's comeback for the second time following the purge of the Gang of Four in the aftermath of Mao Tse-tung's death in 1976. On July 7, 1977 the Albanian Communists published an article critical of Peking's "Three World" thesis. In September, the PRC invited Albania's sworn enemy, Tito, to visit mainland China, undoubtely dealing a punitive blow to relations with the Albanian Communists.

The Albanians summed up their criticism of the Three World thesis under five heads:(23) 1) The thesis ignores the fundamental contradiction of the time – conflicts between socialism and capitalism; it also contravenes "dialectical historic materialism." 2) The thesis obliterates the principle of "subordinating national problems to the revolutionary cause" so that national liberation movements, instead of communist movements, are taken as the main force in the struggle against imperialism. 3) The term the Third World conceals class contradiction in favor of maintaining the status quo, hence an attempt to set up Khrushchev style peaceful cohabitation. 4) The concept of the Second World confuses developed capitalism with socialism. From the viewpoint of social order, Second World Nations have no radical differences from the two super-powers, nor can they be allies of the Third World. 5) According to the definition of "super-powers" (the First World), Soviet social imperialism is more terrible than U.S. imperialism, an allegation the Albanians consider as very deceptive. As a matter of fact, they regard both super-powers as equally dangerous. For this reason, in treating the two super-powers, one cannot go by the principle "an enemy's foe is a friend." In other words, the Albanians were opposed to Peking's strategy of alignment with the U.S. against the U.S.S.R.

Red China did not take these charges lightly. At the 11th CCP National Congress, the PRC leadership endorsed the Three World theory,(24) and published a special article to expound it at length.(25) One year after the Albanian criticism of the

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Three-World thesis, Peking notified Tirana that it was suspending economic and military aid to that country. Payment for aid to Albania would be stopped, and Chinese economic and military specialists recalled. Meanwhile, it declared that this disruption in bilateral cooperation had been caused entirely by the Albanians who should "assume full responsibility."(26)

A PRC announcement stated that from 1954, at the request of Albania, the PRC had provided Tirana with massive military and economic assistance. 1) China had spent more than 10 billion yuan JMP in assisting Albania; 2) Of 142 complete sets of aid projects agreed to, 91 had been fulfilled, with 23 others basically completed or under construction and 17 already surveyed and undergoing design; 3) Huge quantities of weapons and equipment had been supplied to Albania without compensation; 4) Over the years, 6,000 specialists had been sent to Albania, who had trained large numbers of Albanian economic and military cadres. All the above assistance had been made available when China was having a hard time feeding its own populace.(27)

Not long after the Red Chinese note, Albania retorted. On July 29, 1978 in a letter of reply to Peking jointly signed by the Central Committee of the Albanian Labor Party and the Albanian People's Socialist Republic,(28) Tirana said China's unilateral stoppage of military and economic aid and withdrawal of specialists had crudely and arbitarily violated basic international and international norm. It was an act that extended ideological disputes to the area of bilateral links, an exact copy of the chauvinistic tendencies exhibited by Tito, Khrushchev and Brezhnev, which China itself had denounced.

Albania indicated it would never exploit friendship with other countries as an instrument of economic benefit and would always stick to the principle of not selling itself out. The Albanian Communists accused Peking of fabrication and distortion of facts in its diplomatic note. Even if what was alleged were true, they argued, it could not justify unilateral suspension of aid to a long term, close ally. Therefore, far from being technically motivated, suspension of aid was something of a profound political and ideological nature. The Albanians charged the Chinese Communists with self-glorification by advertising and exaggerating their aid to Albania. For example, it was entirely untrue that the Chinese, as they claimed, had spent 10 billion yuan in Albania. The Albanians claimed the aid

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totalled only 3,053 million yuan. Furthermore, none of the Chinese aided projects had been completed on schedule, there was always a delay ranging from one to six years. When the Chinese experts were pulled out, they had either destroyed or taken with them all blueprints of aid projects.(29)

Red China and Albania had become allies in their common stand against Soviet revisionism in the Khrushchev era. Through their nearly 20 years of intimate cooperation there had actually been many serious differences which were only exposed after they dissolved their friendship. Their quarrels can be concisely summarized as follows: 1) Different attitudes in their opposition to modern revisionism; 2) Different views on whether or not the Soviet Union should be included in an anti-imperialist front, Peking being in favor, while Albania objected; 3) The Albanians were against Red China raising territoral issues in its wrangle with Moscow; 4) Albania did not approve of Peking's attempt to patch relations with the Kremlin when Khrushchev was ousted; 5) Tirana expressed support for Red China's Cultural Revolution, but refused to apply the policy in Albania; 6) Following the 1968 Czechoslovakia incident, the PRC refused further aid to Albania; instead, it urged Tirana to enter into a military alliance with Yugoslavia and Rumania; 7) Peking changed its diplomatic strategy drastically without prior consultation with the Albanians. And last but not least, the Three World thesis triggered an open debate over ideology. The Albanians had asked Peking to send representatives to negotiate with them so as to iron out disagreements. The Chinese declined, and instead demanded that the Albanians accept their line unconditionally. The Albanians simply paid no attention to them, and Peking abruptly discontinued military and economic assistance to Tirana. Additionally, the Chinese Communists were outraged at the Albanian refusal to express its support for Peking's struggle against the Gang of Four and its reshuffle at the top level. In this regard, Peking condemned the Albanians as partners of the Gang of Four and cessation of aid followed as a convenient form of retaliation.(30)

In September 1978 the Sino-Albanian Shipping Company was disbanded, thus concluding the complete disruption of bilateral trade ties, as well as in science and technology and cultural cooperation.

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Change of Course in the 1980s

As Peking started the process of normalization of ties with the Soviet Union in early 1980s, its relations with East European states also underwent obvious changes.

On April 3, 1979 Red China decided not to extend the Sino-Soviet friendship and alliance treaty beyond its expiration. At the same time, it declared that differences over principles between China and Russia should not impede maintenance and development of normal relations between the two countries based on the five principles of peaceful coexistence. It proposed to the Soviet government to hold negotiations in order to resolve pending issues between the two sides.(31) The Soviets readily accepted the proposal. In fact, since the two communists giants fell out, Moscow had more than once suggested holding talks to improve their mutual links,(32) to which the Red Chinese had turned a deaf ear. A PRC Chinese delegation arrived in Moscow in September 1979 to talk with the Russians. Nothing concrete came of their meetings, except for an agreement to conduct a second round of negotiations in Peking the following year (1980). Toward the end of that year, Soviet troops invaded Afghanistan and the talks were suspended.

In March 1982, Soviet General Secretary Leonid Brezhnev in a solemn gesture indicated that Moscow would like to mend fences with Peking.(33) In September that year, the Chinese Communists at their 12th congress made a positive response to the Soviet overture. In a statement they said: "Our party insists on developing relations with communist parties and other working class parties of various countries on the basis of Marxism according to the principles of independence and sovereignty, complete equality, mutual respect and mutual non-interference in internal affairs."(34) From that time onward, Sino-Soviet relations have been on a slow but steady course of betterment. At the same time. Red China also began to step up its efforts to improve ties with the East European countries. In this it was motivated by five fundamental considerations. Firstly it hoped through the East European communist nations to improve its relations with other world communist states: secondly, still unsure about a new relationship with the West, Peking hoped to maintain a diplomatic balance between East and West by warming up to the East Europeans;

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Thirdly, it desired to acquire East European technology to help its modernization drive. Fourthly, it sought to persuade pro-Soviet East European communist states to follow in the footsteps of Yugoslavia and Rumania and thereby to reduce Soviet influence in East Europe. Fifthly, it desired to expand trade with East European nations to enlarge its foreign market.

In the early 1980s, Peking's relations with the East European communist nations continued to be divided into three categories. First, official state relations with the pro-Soviet bloc remained influenced by Soviet policy toward Communist China. Second, relatively strong political, economic and cultural ties persisted with Rumania and Yugoslavia, and even party-to-party links were restored. Third, there was little contact with Albania following the break-down of relations in 1978. Economic ties were suspended and party-to-party links became problematic as well. Generally, the East European bloc began to show varying patterns of change in attitude toward Communist China because of the following three factors: 1) A comparatively more liberal stance on the part of the Soviet Union which lessened control over the East European bloc. 2) Sino-Soviet relations started to improve, with Peking taking the initiative in developing diplomatic activity in East European states. 3) A shift in the direction of Red Chinese policy, stressing independent diplomacy on the one hand and adjusting the basic stand on relations between communist parties on the other. The Chinese Communists let it be known that every communist party should build socialism according to the situation in its own country without having to follow any model or pattern, each party being independent and responsible only to its own people.(35)

The year 1983 saw a marked improvement in ties with five pro-Soviet communist states. During the year in review, Red China exchanged frequent visits with East Europe, the greatest number being with East Germany (15 times), followed by Poland (13 times), Hungary (6 times), Czechoslovakia (6 times) and Bulgaria (once).(36) The trend in the next few years continued on the upswing.

In 1983, Red China signed barter and payment agreements with five East European nations — Hungary, Poland, East Germany, Czechoslovakia and Bulgaria. These agreements envisaged a total of 1,600 million Swiss franc (approximately over US $700 million) worth of trade with the five East European

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countries. Exports from China for the most part comprised textiles, light industrial goods and foodstuffs, accounting for 64%, raw materials 35% and machinery products just 1%. Imports to China were raw materials 63%, electric machines and instruments about 27%, and consumer goods 10%. In December 1983, Peking's Foreign Minister, Wu Hsueh-chien, stated that there had been considerable headway in China's association with the East European states.(37)

In 1984 Red China continued to be on good terms with East European states, although still on governmental level without party-to-party links being restored. Mutual visits were made by ministerial leaders, mostly in charge of foreign trade, economy and culture. The only exception was Marjai Jozsef, vice chairman of Council of Hungarian Ministers, who was the highest ranking Hungarian leader to visit Peking in 20 years, and a top official of the pro-Soviet bloc.

Peking's bilateral trade with the five East European states amounted to about US$1,000 million in 1984,(38) up 42% from the previous year. The PRC minister of foreign trade said his country would have to import 3,000 items of technology in order to renovate the existing capital equipment, part of such imports could come from East Europe. On the other hand, East European countries would be seeking certain industrial and mineral products, light industrial goods, textiles and non-staple agricultural products from Red China.395)

According to agreements concluded, Communist China's bilateral trade with the five nations envisioned considerable growth in 1985: respectively up 28% with Bulgaria, 30% with Czechoslovakia, 50% with East Germany, 242% with Hungary, 180% with Poland.(39) In May 1985, Vice Premier Li Peng toured East Europe . In May of the same year, Peking signed five-year long term trade agreements (1986-1980) first with Poland and Hungary and then with East Germany and Czechoslovakia. Toward the end of the year, Li Peng travelled to East Europe again, visiting Czechoslovakia and Bulgaria and concluding a five-year trade agreement with the latter. According to East European statistics, during the years 1986-1990, Communist China will do US$32,600 million of trade with the COMECON, half of which will be with the Soviet Union.(41) In other words, in the next five years its total trade with six East European nations (including Rumania) will reach US$16,600 million, averaging US$3,320 million each year and accounting

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for only 5.6% of China's total amount of foreign trade in 1985. (42) Despite the increasing trade year by year with the East European COMECON members, the ratio remains relatively small in terms of Peking's overall foreign trade. Mutual visits by government officials have thus far not been made by persons ranking higher than vice premiers.

Red Chinese relations with Rumania and Yugoslavia developed in the 1980s, with frequent visits by various delegations. In 1983 at least 28 different kinds of delegations shuttled between Peking and Bucharest, with Belgrade the number was 15. In May 1983, General Secretary Hu Yao-pang journied to Rumania and Yugoslavia. In November the Rumanian premier went to Peking. In May 1984, D. Markovic, chairman of the Yugoslavian Communist Alliance, toured mainland China. In August and September President Li Hsien-nien made a state visit to Rumania and Yugoslavia. In November, the 13th Congress of the Rumanian Communist Party was honored by the attendance of an official Chinese Communist delegation led by Wan Li, member of the CCP Central Politburo, Secretary of the Central Secretariat and Vice Premier of the State Council.(43)

In April 1985, a National People's Congress delegation led by Vice Chairman Keng Piao, toured Yugoslavia and Rumania, a visitation purely political in nature, which had no specific significance since Peking was already very close to the two countries. However, in October the visit of the Rumanian Communist General Secretary Ceausescu to Peking came as something of a surprise;it was his fourth visit to China clearly to "further push continued development and cooperation in various areas of interest to both parties and nations."(44) Although still on friendly terms, Peking has not been so close to Bucharest since it began to give attention to other East European countries. Besides, the Rumanians had second opinions about Red China's economic reforms.

As regards Peking's trade with Rumania and Yugoslavia, not much progress has been made in recent years. Trade with Rumania, still Red China's largest trade partner in East Europe, worth US$700 million, equalled approximately to 75% of Peking's total trade volume with five East European COMECON member states. It increased somewhat in 1985,(45) with the conclusion of a five-year trade agreement. Trade with Yugoslavia actually declined in the 1980s. While the volume had reached US$300 million in 1980, it went down to US$150

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million in 1984 and 1985. However, in 1986 it was expected to rise to US$400 million.(46) The slowdown or decline of Peking's trade with Rumania and Yugoslavia in the past few years was by no means a result of political factors, but was a side-effect of its expanding trade with other East European states.

In a twist of relations between Red China and Albania, the visit of Chinese commercial officials and traders in Tirana in the spring of 1983 had brought about the signing in Peking in October of a protocol on trade, payments and delivery by the two countries' vice ministers of foreign trade, the first of its kind since economic cooperation broke off in 1978. China agreed to export cotton, machinery and chemical products to Albania in exchange for chromium. Notwithstanding Albanian assertions that the document had no significance beyond that of any general trade agreement concluded with another state,(47) the agreement came as a result of Red China's efforts to improve relations with Albania. The two countries did US$7 million of trade in 1983, growing to US$20 million in 1984, up 200%. A trade agreement for 1985 was signed in Tirana in March of the same year, but neither side has ever cared to make public its contents.(48) In December, the Albanian Vice Minister of Foreign Trade, Pajtim Aiazi, travelled to Peking and signed a protocol on barter and payments, and also a trade agreement.(49)

On April 11, 1985, Albanian leader Hoxha died, succeeded by Ramiz Alia (born 1925). Li Peng offered condolences to "Comrad Hoxha" at the Albanian embassy in Peking while extending congratulations to "Comrade Alia being elected as the first secretary of the Central Committee of the Albanian Worker's Party."(50) That the Chinese Communists should address their counterparts as "comrade" before restoration of party-to-party links and without being rejected(51) was an indication that bilateral relations had improved to some extent, or at least there was the potential for improvement.

Red China as Viewed from East Europe

We will now assess Peking's relations with East Europe from another angle, i.e. East European responses to economic reforms in mainland China,.

Albania: In spite of the fact that Red China's Economic reforms were a popular topic of discussion in the world com-

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munity in the 1980s, Albania expressed almost no response at all. Previously, anything so tainted with revisionistic color would have been an anathema to the Albanians. This might be a hint that Albania badly needed spare parts and component parts from Red China for the many industrial facilities the latter ha helped set up earlier. After agreeing to restore trade links with Peking in 1983, the Albanians presented some simple, factual reports regarding Red China's economic reforms,(52) and they also produced an overall critique of economic reforms being carried out in "revisionist countries," Communist China included. The following passages provide a typical example:

> Neither economic reforms between 1963 and 1968, nor small scale reform after 1979; neither upholding relationship of supply and demand and motivation of market and profits, nor olive branch lauding the tyranny of revisionism; neither the so-called experimentation and 'star of hope' in small, private economy, nor free private enterprise, small plots of retained land and so forth can enable capitalism in revisionist nations to head off a serious economic crisis. Revisionist countries now owe Western banks a total of US$90 billion in loans. The figure will increase to US$130 billion in the next few years.(53)

The statement quoted above has not been an isolated case. For example, the Albanian Communist organ, meanwhile published commentaries entitled "Socalism cannot be built and made secure through imperialist assistance" and "Foreign investment is the tool for economic slavery" in reference to economic reforms in Communist China the U.S.S.R. and East European states.(54)

All in all, the internal policy of Albania at the current stage opposes economic reform but it does not direct these at the PRC. It has been more than a year since the new Albanian leader assumed power and no major changes in policy have yet been witnessed.

Bulgaria: Since the Sino-Soviet split in 1960, Bulgarian news media, toeing the Soviet line, had been harshly critical of Maoism, Communist China's political and economic life and its foreign policy after the 1970s. The hardline position did not change until mid-1982. In October that year, the Bulgarian Communist theoretical journal *Novo Vreme (New Times)* stopped carrying its "anti-Maoist theory and practice" series. At the same time, other dailies and periodicals began running

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fewer and fewer articles critical of Communist China. Occasionally some barbs may appear, but they are aimed mainly at Peking's foreign policy.

In the past two or three years, Bulgaria has taken a positive stand in respect to Red China's internal development, maintaining that Peking "is working toward surmounting the harmful after-effect of the Cultural Revolution to insure that nation's advancement on the socialist course."(55) It assumed a wait-and-see attitude on Red China's economic reforms, making few criticisms if any. At the end of 1984, a formerly anti-Maoist writer made the earliest response in an agricultural publication to the economic reforms. As the article reflected, the Bulgarian Communists had some reservations about Peking's economic reforms, while not opposing it altogether. The author said there was a common feature in China's past and current policies and that was "building a Chinese style socialism." There was also a strong contrast: in the past "poverty" had been lauded, while as of now "private property" was being eagerly encouraged. The Bulgarians considered it a strange concept "to serve socialism with capitalism," as some Chinese economists had put it.(56)

Official statements in Bulgarian have consistently complied with the Soviet position for many years. It is not that there are no people among the Bulgarian leading hierarchy who are sympathetic to the Chinese Communists, only that they have not as yet had a chance to express themselves.

Czechoslovakia: Red China's economic reform has not stirred any harsh words from the Czechoslovakian leadership, at least not as frenetic as anticipated. Official media have been cautious and scanty in reporting the nation's diplomatic and trade links with Peking, or in commenting on China's reform program and Sino-Soviet relations. On all issues, the two countries prefer to give priority to substantial matters rather than ideological problems. In fact, as Communist China and the U.S.S.R. now move toward normalization, there is no reason for Prague to continue the ideological assault against Red China. Czechoslovakian attitudes toward the PRC have turned moderate ever since Peking started economic reform. Adhering to the Soviet position in the past, they had sharply attacked the "three major obstacles" the Chinese said were hindering Sino-Soviet normalization of ties.

Being ideological hardliners, the Czechoslovakian leadership

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would not be expected to have kind words for Peking's reform efforts. But they have restrained themselves from criticism because of the following factors: First, the PRC market is becoming increasingly attractive to Czechoslovakia; second, a series of critiques of Peking's economic reforms could remind the Czechoslovakian people of the reform movement known as "the Prague spring" in 1968; third, any stringent attack on Communist China could invite fierce counter-attacks from Peking.

In early 1985, the Czechoslovakian communist central organ presented formal comments on Red China's market-oriented economic reform. It held that, while the erstwhile Maoism refused to accept the objective discipline of "socialist economic development," recent economic reform has separated economic control from political domination and extended economic decisions to lower levels.(57) The Czechoslovakian Communists' positive attitude toward Red China's economic reforms is surprising. They have even praised Peking's agricultural "contract system" which allegedly has transformed China from a grain-importing nation to a grain-exporting nation.(58) As a matter of fact, Red China's economic reforms have not differed much from certain economic measures taken in Czechoslovakia in recent years.

East Germany: In the East European bloc, East Germany has been known as the staunchest Marxist-Leninist follower and the least willing to carry out reforms. In this light, the East German Communists should have been the least interested in the sweeping economic reforms of Communist China. It is therefore notable that East German public media, though briefly pointing out certain problems with Peking's economic policy should have underscored the bright side of its economic reforms. The tolerance toward Red China as demonstrated by the East Germans stemmed mainly from an already improved bilateral link coupled with some flexibility in party-to-party ties.

East Germany used to view economic reform in Hungary disapprovingly, now it has gone so far as to laud the PRC's reform measures. Commenting on China's agricultural reforms, East Germany specifically singled out Red Chinese farmers' "growth of production and personal income" and improvement in living conditions.(59) Its overall assessment of Peking's economic effort has also referred favorably to what has been achieved.

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East German commentaries on Red Chinese economic reform programs have been candid and mild without appearing overly critical. Aside from improving bilateral relations, there can be other reasons to account for such an attitude. Undoubtedly, East Berlin is eyeing the mainland Chinese market in the hope of getting more industrial orders. One thing must be made clear, though, that the pace of East Germany's rapprochement with Peking is limited by its desire not to irritate the Kremlin.

Hungary: The only country among the East European Communist bloc that has undertaken major economic reforms, Hungary revised its economic mechanism as early as 1968. Hence it has reason to welcome the October 1984 resolution of the third plenary session of the Chinese Communist. From the late 1970s through the early 1980s, Peking leaders expressed a strong interest in Hungarian economic reform. Chinese economists, technocrats, sociologists, agronomists, bankers and mineral experts, as well as union cadres and news correspondents, were dispatched to Hungary to study the new economic mechanisms, particularly with regard to small enterprises and cooperatives. Through their observations and contacts they acquired valuable information enabling them to stand up to conservatives in debates over economic reform. The Chinese Communists seemed to have accepted the principal viewpoints, concepts and basic elements of the new economic mechanism, and Hungarian economists are watching Red Chinese economic reform with special interest as it offers opportunity for expanded trade and extensive cooperation in economy, science and technology between the two countries.

More importantly, Peking's pragmatic line and economic reform will certainly consolidate the position of Hungarian economic reformists and strengthen the reform policy of the Kadar regime. Previously, only Bulgaria's small scale reform kept the reform-minded Hungary from being isolated in the East European bloc. If Peking's economic reforms prove to be successful, Hungary's stature will be enhanced. Nevertheless, with Sino-Soviet problems pending a complete resolution, Budapest has to remain circumspect in its public reaction to these reforms.

Hungary published detailed reports on Peking's economic reforms coupled with analyses and commentaries. Moreover, most of these reports were carried in the daily papers. Public

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and official response to the PRC reforms are generally positive and sympathetic. But no one has yet ventured to draw a parallel between the Red Chinese economy and the Hungarian new economic mechanisms. On October 20, 1984, Budapest Radio described mainland China's new economic reforms "the most important news of the day," describing it as a very broad and significant, program, "radical but progressing orderly." Hungary the Red Chinese viewpoint that the ideals of a socialist planned economy and a commodity economy do not conflict with one another; only by increased participation in the world economy – instead of staying away from it – can modernization be achieved.(60)

Differing from many Western economists, the Hungarian Communists do not believe that Communist China is headed toward capitalism. Rather, they believe Peking is engaged in a massive socialist experimentation in building a Chinese-style socialism.(61) Their wholehearted support can only delight the Chinese Communists. The CCP Central Committee sent a congratulatory message to the Hungarian Socialist Workers Party (Communist) on the occasion of its convening of the 13th Congress in June 1985.(62) This is an indication that relations between the two communist parties have been restored. Hitherto no such activities had ever taken place between the Chinese Communists and other pro-Soviet Communist parties.

Poland: There has been an improvement in ties with Peking in recent years, the Polish news media have rarely touched upon the subject of China's economic reforms except for limited factual reports quoting foreign sources. Official quarters usually avoid discussing the subject, other than to report some responses from the mainland Chinese people. In Poland, nobody would compare the Chinese reform movement to the Polish situation. Nonetheless, in certain reports one can detect some overtones. For example: "Over the past few years, the Chinese economy has been run according to uncompromising dogmas and ideological principles that have virtually nothing in common with economic disciplines."(63) Here is an apparent attempt to contrast earlier Chinese economic development with the more efficient economy of Poland.

Generally speaking, the Polish media holds that Peking's economic reforms are not bad in themselves, except that they come rather late. Polish authorities believe that Red China may achieve through modernization the kind of economic success

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Taiwan and Singapore have achieved in recent years. However, in the light of the sudden twists characteristic of the Red Chinese political climate in the past, no one can be sure whether Peking's economic reforms can be carried through over the long run.(64)

Rumania: For scores of years Rumania, like its fellow Communist bloc member state, Albania, had been a nation adamantly adhering to the principle of centralized planning. Since the Sino-Soviet split, Rumania has established a special relationship with Communist China. Yet even this relationship cannot assuage Rumania's awe and displeasure at Peking's change of policy.

For fear that it could arouse reformist sentiments in Rumania, Bucharest in reporting the Red Chinese reform would often add its own explanations, depicting it as similar to the Rumnian economic order aimed at renovating economic functions to create a socialism with Chinese characteristics based on Marxist precepts.(65) It said in the process of economic reform, the Chinese Communist government would supervise, direct and adjust enterprise activities through programming, economic and legal approaches while strengthening the role of the party. Only two specialized magazines have attempted any detailed reports on the PRC's economic reforms.

At the November 1984 Rumanian Communist Congress, in the presence of Red Chinese delegates, Rumanian leader Ceausecu obliquely expressed dissatisfaction with Peking's economic reforms, saying "we cannot allow every enterprise to produce whatever they please or sign any contract at will." He warned: "To restrict or abolish state control over economy and society will touch off serious repercussions."(66)

So far, the Chinese Communists have not displayed displeasure over Rumania's handling of news on their economic reform. Despite the existence of certain differences, both sides have time and again indicated their desire to maintain friendly relations. Concluding his visit to Peking in October 1985, Ceausescu stated in a joint communique that "the understandings reached during the visit fully reflect cordial friendship between the two sides."(67) It shows differences remain to be ironed out, certain understandings have been reached.

Yugoslavia: Communist China's economic reforms received the warmest welcome in Yugoslavia. Without openly saying it,

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Belgrade believes the PRC and Yugoslavia are taking the same course. Understandably, Yugoslavian public media extol Teng Hsiao-ping as "a man engaged in a great task of reform," calling him "a genuine Marxist."(68) As if this is not enough, the Rumanian Communists have gone so far as to defend the Red Chinese reforms theoretically. As one Yugoslavian China expert put it: "Marxism is not a dogma, rather it is a scientific, critical world view." He added:

> In China, Marxist ideas are forging ahead, making the most daring ideological breakthrough from what was considered untouchable areas of truth yesterday. Since they renounced dogmatic concepts in 1978, the Chinese Communists have been making especially speedy development of Marxist ideas in the domain of economic theory.(69)

Nevertheless, the Yugoslavians suggest they have contributed much to what is achieved in Communist China today. A Yugoslavian foreign policy expert cited Tito's trip to Peking in 1977 as a decisive factor in bringing about Red China's open door policy. At that time, Tito praised the Chinese Communists for having fully understood Yugoslavia's "autonomous management and non-alignment policy."(70)

Conclusion

Over the past 30-odd years, Communist China's relations with various East European countries have fluctuated with the rise and fall of its relations with the Soviet Union. From the start of the 1980s, aside from moving steadily toward normalization with Moscow, Red China has been busily following an indepedent foreign policy abroad and pushing vigoriously a sweeping economic reform at home. These are favorable conditions for better relations with the East European states. Meanwhile, the changes in both Soviet and Chinese leading hierarchies have exerted a positive influence on the general development and improvement of Red Chinese ties with these states. Based on the aforementioned, the following points concerning the trend of these relations may be concluded:

First, there seems to be little chance of reconciliation in the ideological struggle between Albania and the two Communist giants, despite recent changes in Albania. The Albanians regard both the Red Chinese and Soviets as revisionists.

Secondly, Peking has no serious problems with Rumania and Yugoslavia, with both of whom they are quite unanimous on

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foreign policies. Their current governmental relations and party-to-party links will be continued and further developed.

Thirdly, relations with the five pro-Soviet East European countries still hinge upon the progress of Sino-Soviet normalization efforts. Most of these countries want to speed up the improvement of ties with Peking, but have to slow the pace so as not to arouse Soviet displeasure: since they must act on cues from the Soviet Union.

FOOTNOTES

(1) East European Communist Nations: Albania, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, Ruman and Yugoslavia.

(2) Ya. Kadar's address in Budapest on August 5, 1963, The Soviet Communists Holding Aloft the Leninist Banner (Moscow, 1963), No. 284.

(3) Chinese Foreign Policy (Vneshnaya Politika KNR) by G. V. Astafiew and M. I. Makarov (Moscow International Relations Publishing House, 1971), p. 63.

(4) Ibid. 28, p. 64.

(5) World Socialist Economic System (Mirovaya Stosialisticheskaya Khozyaistva) by G. M. Sorokin (Moscow Thought Publishing House, 1967) Volume 4, p. 24.

(6) *Social Democratic News Report* (Socialdemokratischer Pressendienst) (1967), Volume 7, Issue 24, p. 6.

(7) *Pravda,* September 2, 1964.

(8) Marx's Notes on Rumania (K. Marx Inseminari Despre Romani) by A. Otetea and S. Schwann, Bucharest, 1964.

(9) *People's Daily*, May 4, 1967; *Hsin Hau News Bulletin* (IBAH) April 12, August 19, September 18, 1967.

(10) *People's Daily*', July 15, 1967.

(11) Ibid., December 29, 1968.

(12) Ibid. 34, p. 149.

(13) Mao Tse-tung Block's Foreign Policy, by A. Nekrasov, *Kommunist*, issue 12, 1968, p. 106.

(14) Mao's Policy in the International Arena, *Kommunist*, issue 5, 1969, p. 104.

(15) Non-Alignment and China, by Ranko Petkovic, *Review of International Affairs,* October 5, 1970, quoting *Studies in Comparative Communism*, spring/summer issue, 1974, p. 311.

(16) Ibid., pp. 312-313.

(17) Ibid., p. 313.

(18) Yugoslavia and Sino-Soviet Rift: The Changing Triangle 1948-1974, by A. Ross Johnson, *Studies in Comparative Communism*, spring/summer issue 1974, p. 198.

(19) *People's Daily*, June 10, 1971.

(20) *Pravda*, August 25, 1978, p. 5; August 31, p. 5.

(21) *Ta Kung Pao,* September 10, 1978, p. 2.

(22) Hoxha's speech, *Peoples Daily*, January 9, 1964.

(23) Revolutionary Theory and Practice, Zeri i Popullit, July 7, 1977; English broadcast from Radio Tirana ATA, July 7.

(24) Political report at the 11th party congress, Ta Kug Pao, August 23, 1977.

(25) The Strength and Influence of the Three World Thesis, Ta Kung Pao, August 27 and 28, 1977.

(26) We have been compelled to stop assistance to Albania and to recall experts, Red Chinese diplomatic note, *People's Daily*, July 14, 1978.

(27) Ibid.

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(28) Letter from the central committee of Albanian Worker's Party and the Albanian Peoples's Socialist Republic to the Chinese State Council, Zeri i Popullit, July 30, 1978; English broadcast by ATA, Tirana.
(29) Ibid.
(30) Ibid.
(31) Ta Kung Pao, April 4, 1979, p. 1.
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(42) Red China's 1985 foreign trade totalled US$59,210 million, see *Beijing Review*, Issue 5 (1986), p. 28.
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(48) *Janap Times*, March 12, 1985, p. 3.
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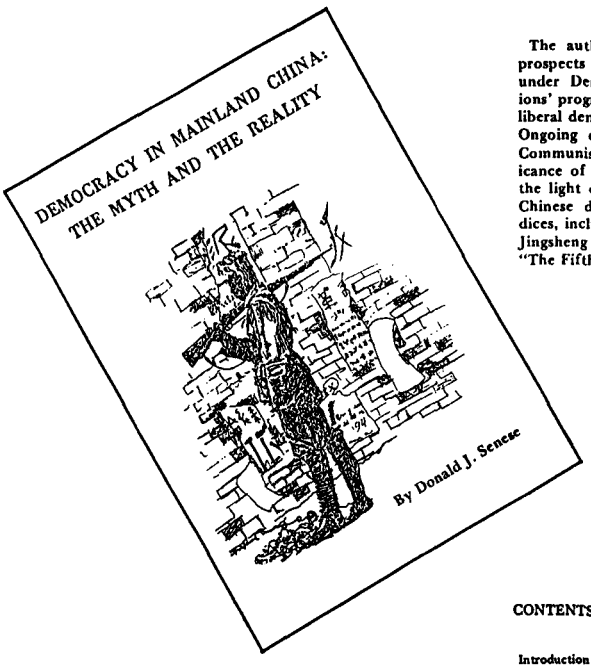
DEMOCRACY IN MAINLAND CHINA: THE MYTH AND THE REALITY



The author focuses on the questionable prospects for democracy in Mainland China under Deng Xiaoping's 'Four Modernizations' program, showing the contrast between liberal democracy and 'socialist democracy'. Ongoing developments within the Chinese Communist Party are traced, and the significance of "Democracy Wall" is analysed in the light of subsequent events. Three major Chinese documents are printed as appendices, including the revealing treatise by Wei Jingsheng (of Democracy Wall fame) entitled "The Fifth Modernization".

By DONALD J. SENESE

Introduction by Trent Lott, M.C.

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THE MANAGEMENT OF INTERNATIONAL DEBT IN LATIN AMERICA

By R. Peter DeWitt

Setting the Stage for Crisis

For years now the international community of bankers, government officials and academics have feared developing countries would be forced to reschedule their international debt simultaneously. In 1982, one estimate identified 20 countries unable to repay loans of $28 billion. This was the beginning of many years of reschedulings to manage the now massive international debt of the less developed countries ILDCs) which stands at more than $1 trillion (*U.S. News and World Report* March 16, 1987, p. 55). Reschedulings of international debt in 1982 were in excess of $140 billion dollars. By comparison, in 1981, only $10.8 billion in LDCs debt was rescheduled. The Latin American debt problem especially had risen to $390 billion by 1986 (*Wall Street Journal*, March 3, 1986, p. 32). The dramatic decline in international oil prices created particular problems for oil exporters like Mexico and Venezuela in the management of their debt.

The debt crisis, while focusing on the largest borrowers in the Eurocurrency market is not strictly a regional issue. The Latin American debt crisis is a global crisis and is particularly problematic for the United States. The most heavily exposed banks in the region are United States banks. This, together with the fact that Latin America is a major trading partner of the United States, makes the region's crisis one of particular importance to the United States economy.

Argentina was the first to feel the credit crunch as the recession and the economic impact of the Falklands War forced the country to suspend payments on principal in July, 1982. International bank that had been falling over each other to get into the Latin American market in the 1970s now sought to reduce Latin American lending generally.

By August 1982, Mexico, already hard hit by falling oil prices, requested a rescheduling of its debt and new international loans to continue payments of interest. Mexico's close ties with the United States encouraged the Reagan Ad-

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TABLE 1

ESTIMATED DEBT BURDEN OF SOME MAJOR DEVELOPING COUNTRIES (amounts in US $ Billion)

	1987	1986 External Debt[3]	1983
Argentina	53	48	39
Brazil	108	104	86
Chile	21	20	17
Mexico	102	97	86
Venezuela	34	34	33
Total Latin America[1]	318	390	330
Indonesia	44	33	22
Philippines	28	24	21
Nigeria	22	20	11
Total Other LDCs[2]	460	410	350

1 Including Caribbean and other countries not listed.

2 All other developing countries except centrally planned economies and Middle East OPEC countries.

3 Actual external debt is much higher, 1986 World Bank debt tables are current through 1984.

Source: (Kuczynski, Fall 1983: p. 19, World Bank, April 1986, and Federal Reserve Board, May 1987.

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ministration to work with the International Monetary Fund (IMF) in putting together a $3.9 billion loan package for Mexico.

With the ensuing crisis in Brazil, it became obvious to United States officials that IMF resources were not sufficient to manage the expanding debt crisis. By November, Brazil was on the verge of default and the United States responded with a $1.2 billion loan and increased credit to the IMF totaling nearly $5 billion dollars (Purcell, 1982: 667-672).

By December 1982, Argentina, Mexico, and Brazil all announced suspension of payments of principal. Venezuela was also having difficulty managing its debt as the banker's reluctance to increase lending also took its toll there (*Euromoney*, November 1982: 123-130).

Latin America's debt problems have continued to deepen and at a recent meeting in March, 1986 of Latin American debtor nations a joint declaration was put forth advocating limiting interest payments to creditor banks to below market rates. Mexican President Miguel de la Madrid Hurtado reinforced this position saying his country intended to limit its debt payments to its capacity to pay. Peru, another debtor, had already taken this step as of July, 1985, when it announced that it was unilaterally limiting its debt-service payments to ten percent of its export revenues. (*Wall Street Journal*, March 3, 1986: 32).

The Mexican Example

Mexico and Brazil currently hold the lion's share of Latin America's now close to $400 billion in foreign debt. But, it is Mexico with a $102 billion foreign debt in 1987 which perhaps exemplifies best the pitfalls in debt management illustrated by its precipitous fall from the banker's grace. (*U.S. News and World Report*, March 16, 1987, p. 55). In September 1982, the Euromoney Country Risk Rating for Mexico had fallen to 65. This meant that of the 111 sovereign borrowers in all major international capital markets, Mexico ranked 65th. This was a rather dramatic fall from the country's Euromoney rating of 13 and 23 in 1980 and 1981 respectively (*Euromoney*, October 1981: 78; and *Euromoney*, September 1982: 73). Mexico's foreign debt is now more than $100 billion, up significantly from the $52 billion range of 1980 (*Inter-American Development Bank*, January 1984: 12). The nation's external debt is,

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along with Brazil's, the highest of any LDC. In August 1982, the country came within a hairsbreath of defaulting on its obligation. Such a default would have had repercussions for the stability of the international financial system and was only averted by the United States' contribution of $2.9 billion and a moratorium by American, Western European, and Japanese banks on the Mexican government's repayment of principal. Additionally, the IMF contributed $3.9 billion to lessen the immediate crisis.

Mexico's financial crisis was precipitated by the borrowing splurge that produced a debt driven prosperity and a sense of confidence in the 1970s that has been seriously damaged in the 1980s. From 1975 to the end of 1982, Mexico borrowed more than $60 billion abroad using its petroleum reserves as collateral. The crisis came when oil exports during 1975-1982 generated only $48 billion, with PEMEX, the state-run petroleum company, itself owing more than $20 billion to foreign creditors (*Business Week*, February 28, 1983: 58). This shortfall in oil revenue brought on by the world oil glut initiated a financial crisis that shook the international banker's confidence in the nation's creditworthiness and threatened the stability of the international monetary system. Internally the crisis's ever deepening impact is changing the structure of the Mexican economy , as shown by the nationalization of banks in September 1982, rampant inflation and peso devaluation of 600% to the dollar (*Wall Street Journal*, October 7, 1982: 37). In addition, IMF conditions attached to the $3.9 billion dollar loan will force changes in the structure of the economy and deeply affect the social and political fabric of the country (*New York Times*, December 13, 1982: 104-105). Although few observers expect the long stable Mexican government to be overthrown, labor turmoil and social unrest could polarize Mexican society in the lean years ahead.

Oil prices were down in the first quarter of 1986 by over 50 percent and demand is off reducing oil exports from $1.5 million barrels a day to 1.1 million barrels today. In 1986, with foreign debt edging close to $100 billion, the economy's current shortfall will be $6 billion. (*Newsweek*, March 17, 1986: 34-35).

Mexico faces a difficult labor situation because of massive worker layoffs in a country where nearly 50% of the labor

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force is marginally employed. Some 1.5 million to 2 million workers are expected to lose their jobs over the next year. To make matters worse, the government has been forced to raise the price of staples, including tortillas and bread, by 50% to 100%. These high rates of inflation are imposing a cruel tax on Mexican workers, many of whom are responding by seeking to migrate North to the United States, thereby increasing the pressure on U.S. border controls. In addition to government sanctioned measures to deal with the nation's massive debt, the IMF has imposed conditions on Mexico as terms for its loan. The Fund intends to force Mexico and other debtor countries to live with their means. Generally this means decreasing public spending, consumer spending, and generally cutting imports while expanding exports. Underlying this economic concern is the fear that austerity measures could result in political instability (*Business Week*, February 21, 1983: 111-113). With the country's population growth rate running at 2.5 percent per year, an anticipated population of 100 million by the turn of the century will heighten economic and political pressures.

The situation has been ascerbated by a flight of capital from Mexico, and IMF conditions have directed required Mexico to give greater support to foreign direct investment and to encouraging Mexican nationals who are holding assets in foreign currency to direct these savings toward domestic economic growth, (*IMF Survey*, April 15, 1985: 115-116).

Analysis of the Debt Crisis

A detailed analysis of Mexico's debt crisis forces us to ask a number of questions regarding the debt crisis generally. Why did borrowers and lenders interact as they did and what is the share of responsibility for the crisis? Is the crisis short term or is it a fundamental problem of Mexican and Latin American development? What are the dimensions of the crisis? Does the debt crisis endanger only banks and governments or does it, as many have suggested, threaten the entire international monetary structure?

In terms of managing the debt crisis, one of the problems for Mexico and the other major Latin American borrowers is that external credit has been readily available and borrowing has grown generally at a faster rate than export earnings. A 1982 study by the Morgan Guaranty Trust indicates that Latin American nations have some of the highest rates of debt service

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in the world. Several Latin American nations are making interest payments in their external debt equivalent to 30 percent or more of their export earnings. The debt service ratios of the following major Latin American debtors are: Ecuador (30 percent); Mexico (46 percent); Chile (50 percent); Argentina (50 percent), and Brazil (46 percent).

A critical ingredient in Mexico's and Latin America's debt problem seems to be the rapid build-up of short term debt in the last two years. World Bank estimates of outstanding external public medium and long term debt for Latin America increased from $159 billion in 1980 to $390 billion in 1986. About $50 billion of this is privately held debt (particularly in Mexico and Brazil) but a significant portion is short term debt.

What happened to Mexico and other Latin American borrowers was that they borrowed short term (one year or less) in order to obtain lower interest rates in the prevailing high interest rate environment of the last few years. This strategy was seen as a temporary solution to the credit crunch. In the process, however, Latin American borrowers expanded their debt obligations at the rate of 30 percent per annum, well above their rate of expansion in export earnings.

This rapid short term debt build-up explains the apparent suddenness of Argentina's, and particularly Mexico's, demise in the international credit marketplace. The build-up in short term credit slowed dramatically in mid-1982, when lenders became aware of the over-extension of many Latin American borrowers and held back on further short term lending. Such a retraction on the part of numerous lenders helped force the crisis in Mexico and its Latin American neighbors (Kuczynski, Spring, 1983: 346-348; and *Euromoney*, January, 1982: 58-66). This was particularly true after the International Monetary Fund put pressure on private banks in the Mexican package deal (discussed below) to continue to lend on an involuntary basis. This caused many banks to reduce their inter-bank credit line to numerous Lation American borrowers (Griffith Jones, October 1984: 68).

Why did the principal actors behave as they did? For the banks the post-1973 OPEC environment produced the need to recycle petro dollars to both non-oil and oil producers alike. Without the loans, Mexico and her neighbors would have curtailed their rates of economic growth. The second oil price

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rise of 1979-80 precipitated another round of borrowing, as non-oil producers covered their increased petroleum costs and the cost of an ever deepening world recession. Oil producing countries like Mexico embarked on ambitious development plans based on the continuing belief in ever-higher prices for oil.

By 1981, as banks found it increasingly more difficult to continue to make new commitments, there was a sharp drop in lending, especially to Mexico and Brazil. By July of 1982, lending to Mexico and the rest of Latin America had slowed to a trickle and debt crisis after debt crisis followed (Kuczynski, Spring, 1983: 383).

Why had the internal banks allowed Mexico and other sovereign borrowers to overextend themselves? Several reasons seem to offer some insight into the problem. The onset of the crisis was delayed by a statistical lag that failed to alert the banks that so much had been borrowed by so many with so little chance of repayment. This was primarily a problem of communications. Beyond this the problem is more fundamental. When the world economy was expanding, bankers worked to fill their portfolio with countries with impressive growth rates like Mexico and Brazil. International banks rushed in to fill the credit crunch left by OPEC's seemingly endless price increases in the 1970s. Traditional notions such as debt service ratios to export earning, laboriously built up over the years by the World Bank, were discarded and the science of country risk analysis emerged. Country risk analysis tended to emphasize qualitative as opposed to quantitative factors, and allowed banks to ignore at will an ever deepening crisis.

Shortly after Mexico's fall from grace in the eyes of the international bankers, the *Wall Street Journal* reported, "International financial experts say that Mexico is a case study of the merry-go-round philosophy that often infects commercial banks dealing with foreign countries. Creditworthiness is not judged by a country's ability to repay loans so much as to service existing debt. The merry-go-round keeps going faster until somebody wants his money back, or even tries to slow it down" (*Wall Street Journal*, October 22, 1982: 34).

The debt crisis of the Latin American countries is a classic example of the herd instinct of international bankers. The large money centers banks were followed into the international marketplace by the inexperienced regional lenders, many of whom retreated *en masse* when the merry-go-round stopped.

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Mexico's $ 5 billion package loan in 1983 illustrates the problem further. This 5 billion dollar loan resulted from a request by the Mexican government and the IMF asking that each foreign bank with loans to Mexico contribute an amount equal to 7 percent of its existing Mexican portfolio. This package is typical of the rescheduling approach to the debt crisis. Amost all banks with exposure in Mexico complied with this request. According to the documents accompanying the loan agreement, which was signed in March 1983, banks from 37 countries agreed to participate in the credit. About 500 foreign banks were included in the loan with 170 banks from the United States participating. Under the 7 percent rate Citibank has an estimated exposure of $2.7 billion in Mexico; Bank of America $2.5 billion, and Manufacturers Hanover $1.8 billion. While a heavy exposure by America's largest financial institutions is now accepted, a random sample of some of the other 170 U.S. banks involved in the loan identifies involvement by a surprisingly large number of small inexperienced regional banks (*Wall Street Journal*, March 9, 1983: 28).

Many of these regional banks, and of the other 500 banks that filled their loan portfolios with Mexican paper, responded to a herd response among international bankers, stimulated by Mexico's recently discovered huge oil reserves. When the situation soured they retreated *en masse*, augmenting the crisis for numerous Latin American borrowers.

Impact of Debt Crisis on Development

In an analysis of the management of external debt an important consideration is whether the crisis is a short term one or whether it is an event more fundamental to the pattern of development. A basic flaw in the Latin American pattern of development is its failure to emphasize export-oriented industries. The pattern of Latin American industrialization has emphasized economic infrastructure and large industrial projects. This Latin American pattern is different from that of developing nations in the Far East in that the smaller domestic markets of the Far East have relied on export-oriented industries to utilize their abundant sources of cheap labor. The industrial and economic infrastructure projects in Brazil, Argentina, Mexico, and Venezuela have no particular comparative advantage since they rely largely on imported capital. Economic infrastructure projects have been fostered historically by public

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international lenders like the Inter-American Development Bank and the World Bank – and in the 1970s and 1980s increasingly by the international commercial banks (Dewitt, 1977: 73-102).

This pattern of industrialization has been encouraged and accentuated in Latin American LDCs largely by sovereign borrowers through state enterprises. State enterprises, or parastatal agencies operating under an umbrella of implicit or formal government guarantees, have tended to finance a high proportion of these industrial and infrastructure projects with foreign loans. The explosive growth of lending in this area has been encouraged not only by international bankers but internally by politicians who use these state enterprises to push through particular projects which foster their own economic and political interests. These projects are capital intensive and may not necessarily be efficient, or, in the long run, in the interest of national economic development.

The losses experienced by various government sponsored projects have been a major factor in the recurrent fiscal problems in the region. In Mexico, for example, the public deficit was 10 percent of GNP and figured larger than the central government's deficit. The bloated public sector of numerous Latin American borrowing has been a factor in the international management difficulties and a major contribution to the current debt situation (Kuczynski, Spring 1983: 351-384).

Impact of the Debt Crisis on the International Monetary System

Debt management problems in Mexico and other LDCs affect not only governments and banks but the entire international monetary structure. As Paul Volcker, Chairman of the Federal Reserve, indicated in a speech in Boston on November 16, 1982, "Cases of that sort [Mexico and Hungary] can be justified only by a clear threat of the international banking system as a whole; monetary authorities have neither the capacity nor the authority to substitute short term central bank credit for needed medium and long term financing" (*Euromoney*, January 1983: 40).

The seriousness of the debt crisis to the international system was emphasized by Jacque de Larosiere when he called a meeting of Mexico's principal bank creditors in New York on November 16, 1983 at the Federal Reserve stating that unless the bankers came up with $5 billion in new credit, the IMF executive board would not approve its $3.9 billion in credit for

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Mexico (*Euromoney*, January 1983: 40). The immediate threat to the system was clear and short term remedies were put into effect.

For the long run, however, fundamental problems still remain. The crisis in Mexico and other LDCs has played a major role in reducing foreign bank confidence in LDC borrowers and new capital inflows. *Euromoney* reported in an article entitled, "The Shunning of the Sovereign Borrower," May 1982, "a fundamental change is sweeping the Euro market: the era of the government borrower, the main prop of international bank lending in the seventies is dying" (*Euromoney*, May 1982: 27).

Debt rescheduling already has begun in Bolivia, Costa Rica, and Ecuador, while Venezuela and Chile also are being adversely affected by the bankers' loss of confidence in the region. The debt crisis goes beyond major borrowers like Mexico, Brazil, and Argentina. Total LDC debt is now over $1 trillion with the exposure for private lenders at over $400 billion. The LDC debt exposure amounts to twice the major banks' capital, and the interest LDCs owe the banks is more than the banks total profits. The debt crisis is widespread, with 40 countries owing private banks more than $1 billion and another 30 countries owing more than $250 million (Weinert, Spring 1983: 139-140).

Traditionally, the solution has been International Monetary Fund lending (funded by the taxpayers of the more developed countries) to cover the country's temporary disequilibrium, with austerity measures intended to to curb imports and stimulate exports. This conventional approach is no longer a solution, as the IMF no longer has the funds to cover the ubiquitous nature of the LDC debt. In addition, the expansion of exports by debtor nations is difficult in a world recessionary environment in which many nations need to expand their export capacity. Since every export is someone else's import, export expansion is not possible when large numbers of countries must strive to expand exports and restricting imports. Consequently we see pressures on the International Monetary Fund and the Western industrialized economies to make further liquidity loans to bail out the countries and avoid debt moratorium and default through rescheduling.

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Debt Crisis Options

What then are our options? Many, of course, feel that the crisis is over and that lower world oil prices, interest rates, and a speed up in world economic recovery will solve the problem. While all of these will cerainly lessen the debt crisis, the figures do not suggest that the problem will go away.

In 1983, according to the International Monetary Fund, about 30 LDCs completed or were engaged in debt refinancing. The total debt of these nations amounted to approximately $400 billion in 1983, or more than one-half of the total debt of the Less Developed Countries. Rescheduling only delayed and deepened the debt crisis while the postponement of a solution allowed rising interest rates, growing protectionism in trade and lower rates of growth in LDC economies to heighten the problem. These increases in the debt burden of LDCs add a burden to their already cracking economies and policies. Additionally, these factors further erode trading relations between the United States and its major trading partners thereby increasing deficits and unemployment .

These grim prospects now have forced financial specialists to recognize that an attempt at a solution to the debt crisis calls for a multiplicity of approaches. In order to postpone a financial crisis in the debtor nations, and a possible collapse of the international monetary system, a continuation of lending and rescheduling will clearly be necessary. Simultaneously, efforts by governments and international bankers to lower interest rates, increase trade and lessen protectionism, as well as encourage more capital investment in the LDCs have been urged for the purpose of protecting the banks. Overall solutions generally center on moves by the International Monetary Fund, United States government and the international commercial banks to find long-term solutions to the debt crisis (*Wall Street Journal* June 22, 1984: 35-38).

One proposal recently advanced was the idea of swapping the debt. The program was to have the World Bank, with its substantial LDC expertise, swap its bonds for LDC debt held by the private banks — this would be a boon to the banks. Since the private banks hold over $400 billion in debt and the World Bank has assets of only $50 billion this would require governments to obligate future subscriptions as capital was needed. This proposal would create no government budget impact now,

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but would obligate governments and taxpayers in the future, possibly over a fifteen year period.

The private banks would benefit from such a swap as it would improve the quality of their portfolios and they would become financially sounder. The interest rates of the World Bank bonds held by the private banks would be below commercial rates, thereby providing a gradual way for banks to absorb their losses. This solution would protect the banks' solvency, by transfering the risky loans to the government-funded World Bank.

For the LDCs, the World Bank would assure their liquidity by extending maturities and capital resulting from the increased developed country's subscriptions (Weinert, Spring 1983: 146-147). The vehicle of the swap thus would provide a means of placing the responsibility of the continuing LDC debts on the governments and multilateral institutions of the developed world and thus lessening the possibility of the financial collapse of the major lending banks.

A recent rescue package put together to rescue Mexico illustrates the typical solution to the debt crisis. Mexico's creditor banks agreed in principal to participate in a $12 billion rescue package that was engineered by the International Monetary Fund to finance Mexico through this year and next.

The major elements of the package listed below bring into focus the solution currently offered to resolve international debt. In the Mexican case the banks agreed to the following.

1. $6 billion in new loans, and the World Bank guaranteeing half of those loans.

2. About $44 billion of the Mexican debt, which already has been restructured once over 14 years, will be rescheduled further, to be paid over 20 years with only interest payments due the first seven years.

3. Banks to provide an additional $1.2 billion in so-called investment contingency funds. (*Wall Street Journal*, October 1, 1986: 3 and 22).

The United States government sees the agreement as a victory in its battle to contain the Third World debt crisis. The agreement is also important to the U.S. government because it needs a success story for the Baker Plan, a U.S. led initiative launched at the 1985 IMF and World Bank annual meetings in Seoul, South Korea. The Baker Plan, named for U.S. Treasury Secretary, James Baker, calls for banks to lend more to Third World

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countries and for countries to adopt certain free market economic reforms.

Prospects for the Future

Meanwhile other changes are sweeping the world economy which are transforming the nature of the debt crisis. Proposals are circulating in academic and governmental circles to "rediscount" part of the developing countries' debt. Along with rediscounting, which would stretch out maturities and reduce interest rates, proposals have also been advanced that future lending should concentrate more on fixed interest rates over longer terms. This would be particularly desirable for the financing of mining and industrial projects which have long gestation periods. These measures have been invoked recently out of the fear that major borrowers may default. Indeed, the threat of voluntary default is increasingly part of Latin America's political response, and a real option for those developing nations facing unpopular political and economic consequences of this massive indebtedness.

Lending countries and lenders banks are therefore revamping their policies to deal with those circumstances. The fear of default has already forced developed industrial countries to further increase financial transfers to developing countries. Private bankers and the developing countries may have found an area of common interest in their mutual fear of default. Other international bankers are reacting in quite a different manner by aggressively pursuing other lending markets.

Structural change in the pattern of international debt is shifting from lending markets in Latin America to Asian countries. This is true particularly of the smaller regional international banks whose fate, unlike the larger money centered banks, is not so deeply tied to particular Latin American debtors by large portfolios of outstanding loans.

Other factors are also working in the marketplace, weaning many international banks away from the Latin American market. The most important factors encouraging a structural redistribution of debt away from the Latin American markets is the following:

1. the Latin American current large debt is high relative to their export incomes; and
2. more of Latin America's international debt was of a variable interest rate than in other geographic markets.

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For instance, by 1982, Latin American oil importers had built up a debt service burden of 53% of their exports, compared with 8.6% for Southeast Asian oil importers [Mexico's debt service ratio was 41.9 percent (1982) and 40.7 (1983)] (Inter-American Development Bank, October 1984: 340). Such high debt service ratios in Latin America encourage regional banks to look to Asian markets.

A major reason for the lower debt service ratios in certain Asian countries is that debt-financed industrialization in Asia is more often linked to export-oriented investments. In Latin America, borrowing has more often been linked to monumental development projects such as the Itaipu hydroelectric project between Argentine, Brazil and Paraguay and the PEMEX tower in Mexico City, both examples of monumentally expensive projects that will yield no export earnings to help service Latin America's mounting debt burden.

A major structural change, therefore, in the international debt crisis is a shift in lending to markets like Asia. In this shift, it is the small Latin American debtors who will be hurt the most. Large debtors like Mexico and Brazil will continue in the short run to be the recipients of new loans as part of rescheduling packages involving involuntary loans encouraged by the International Monetary Funds or the bank's own assessment of its over-exposed position in the country. Brazil and Mexico, for example, increased their debt by 12.5 percent and 8 percent respectively due to involuntary loans (Griffith-Jones, October 1984: 67-72).

In the long run, however, all international banks will be looking to free themselves from their debt ridden clients. In the first half of 1984, 188 regional banks active in foreign finance cut their overseas loans by $1 billion to $139 billion, counting loans to both foreign countries and to foreign companies. Yet the money center bank foreign loan total has, held firm at $207 billion, largely because of involutary lending for rescheduling.

Recent events in Brazil have again encouraged the expansion of swapping a debt for equity as a solution to the debt crisis. On February 20, 1987, Brazil's President, Jose Sarney, announced that he was suspending interest payments indefinitely on $68 billion worth of commercial bank loans. This action further precipitates the demise of the sovereign borrower. Brazil's action signal a further movement in the debt crisis toward a

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new international debt order.

This action on the part of the Brazilian government is a critical turning point in debt management in that it calls for solutions beyond the band aid approach of reschedulings and new loans. The solutions that are being called for are debt relief. The banks, however, have avoided debt relief like the plague as current regulations would force them to write off portions of their debt and in doing so their profits would fall dramatically. Such actions would not bode well for the banks and their stockholders or the financial markets.

When a country like Brazil essentially defaults the bank has three choices: a) new loans, b) debt relief, or c) to repossess assets. President Sarney's virtual default forces the bank to consider solution c) repossess assets, because the other two are either impractical or have failed. Since a bank cannot foreclose on a country's physical assets because of the delicate international nature of sovereignty, new solutions call for innovation and a new international debt system. The new solution is the debt equity swap. The basic swap involves shares of local companies exchanged for the debt and the bank in turn selling these shares in the secondary market. Recently swaps have taken place in Chile, Brazil and the Philippines, and as more countries take a hard line position with their debt the swap market is expected to expand.

When interest payments on loans came regularly the banks were content, but Brazil's recent action in stopping interest payments on the $67 billion in debt forces the debt crisis to a new level of inventiveness. This new innovation the debt-equity swap is however only a postponement of the inevitable in the international debt crisis. The swap with probably allow for a postponement of the crisis for another five years, especially with new discounting rules which favor the banks. Such delaying tactics have marked the history of the debt crisis but inevitably debt relief by a writing down of bank loans will be the only solution to the current financial mess (*The Nation*, May 2, 1987: pp. 570-574 and *New York Times*, June 11, 1987: p. 6), with the Western world in effect assuming the debts of the Third World borrowers.

In the future, we can expect both regional lenders and money center lenders to retrench their foreign loans with debt ridden less developed countries seeking to encourage foreign companies to provide foreign capital through direct investment. By the

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early 1990s, one would expect that net financial transfers will be smaller, even to major debtor economies such as Brazil and Mexico, and the era of debt financed industrialization should have been curtailed. Third World countries should rely less on development and industrial strategies that are export-oriented and debt-sustained. During the 1990s, these countries will have to look more to production for internal consumption, seeking direct foreign investment as a means of sustaining economic growth.

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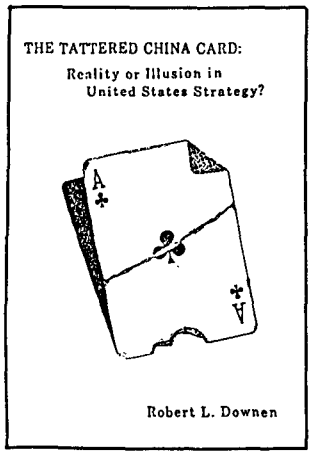

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"PUSH-THROUGH" EDUCATIONAL PROGRAMS: THREAT TO ACADEMIC INTEGRITY AND TO THE NATION'S ECONOMIC PRODUCTIVITY

By Ralph Scott

It is generally recognized that quality education is essential to industrial productivity in today's complex economies.(1) Well-educated workers are presumably more skilled and productive in dealing with the growing demands of technological industries and businesses. Current circumstances suggest that the productivity-educational linkage is not coincidental: the United States currently experiences a virtually unbroken series of deficit trade balances at a time of increasing evidence that American students fare poorly on achievement tests in international comparisons with their foreign counterparts.(2)

Within recent years a number of foreign leaders have attributed a perceived decline of American influence in world affairs to schooling-productivity issues which are linked to the pluralistic nature of American society. When discussing American trade deficits, and in an off-guard remark, Japanese Prime Minister Yasuhiro Nakasone stated that "the U.S. intellectual level is lower than that of Japan because of the presence of blacks,* Puerto Ricans and Mexicans."(3) Seeking to clarify Nakasone's remarks, Japanese party spokesmen said that he meant literacy level and not intellectual level. This distinction, attributing Japanese-U.S. productivity differentials to questions of learning rather than of intellectual potential, was more palatable to Americans but places an obvious burden on American schools to raise the educational productivity of minorities. Shortly after Nakasone's statement, and again in the context of industrial productivity, Soviet leader Mikhail Gorbachev suggested that the United States solve its racial problems by setting up separate states for blacks and other minorities.(4)

Remarks by Nakasone and Gorbachev indicate that foreign

* This paper deals primarily with educational issues involving America's largest minority, blacks. It is recognized however that there are many American minorities, for each minority, government sanctioned compensatory measures may have different effects. Statistical evidence of ethnic group differences are cited but it is clear that issues of superiority/inferiority are not involved since vast inter-group and intra-group distinctions exist. In general, for example, on achievement and IQ scores approximately 15% of blacks equal or exceed the white average; the scores of approximately 84% of whites equal or exceed the black average.

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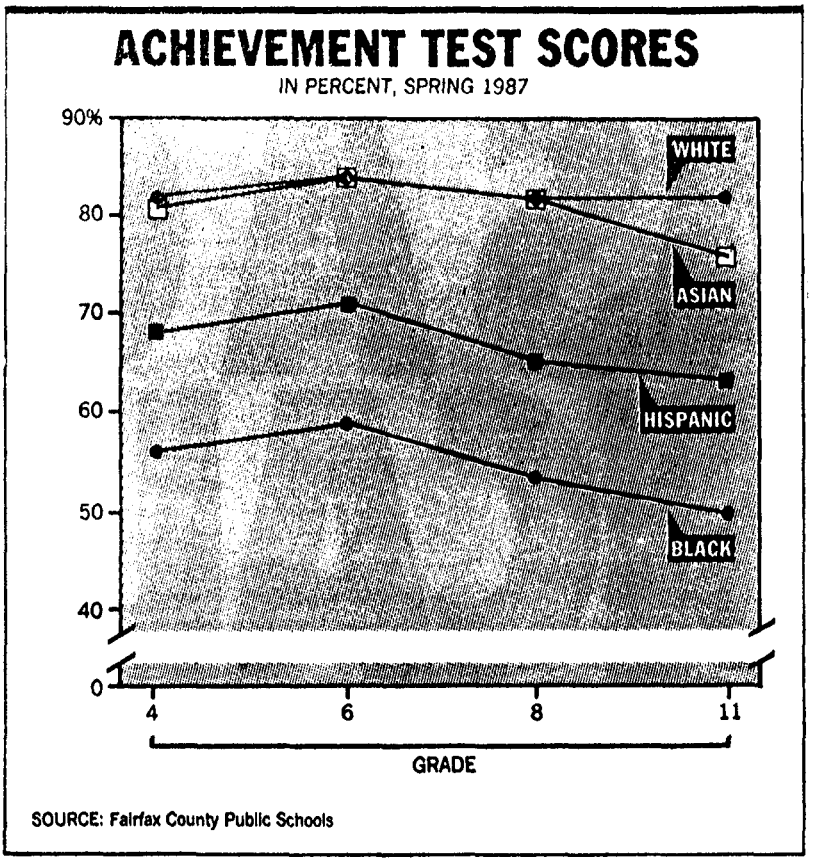

The disparity between SAT scores achieved by students of diverse ethnic groups in the United States is exemplified by this graph published in 1987 by the Fairfax County Public Schools (Northern Virginia). Fairfax County prides itself on its school system and upon its efforts to aid minority children. (*Washington Post*, June 30, 1987)

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leaders are monitoring U.S. minority issues, which demographics indicate will become increasingly significant in the future as the U.S. seeks to maintain its role as a world leader. Some of the statistics are grim and suggest the need for reexamining compensatory schooling measures intended to raise minority learning levels. Blacks' dropout rates are now more than double those of whites, and this rate is significantly correlated with employability.(5) In some cities as many as 50% of young black males find themselves under-educated and unemployed; while the national unemployment rate is 6.9%, it is 15% for black males.(6) In every metropolitan area a black subculture has become entrenched, and the job situation for young blacks has become steadily worse since the initiation of preferential programs. In 1950 the unemployment rate for young blacks was 1.5 times greater than for young whites; now it is more than twice as great.(7) These figures are indeed ominous if educational competencies are associated with productivity. Between 1970-1985, blacks, Hispanics and other minorities supplied 18.4% of the work force addition. This figure may be compared with an estimated 29% between 1985 and 2000.(8)

Forced Busing:* Can American Social Scientists Objectify Racial Issues?

Despite evidence that minorities experience high rates of educational vulnerability, that eduction is central to effective productivity, and that minorities will comprise a greater proportion of the nation's future work force, few if any Americans seriously anticipate that the United States will modify its position on race relations as some foreigners might propose. But both at home and abroad there is a growing sense that those who set American schooling policies have not only been reluctant to deal straightforwardly with sensitive questions but that social scientists have seriously erred in appraising the consequences of compensatory measures which are interlaced with racial matters. Consider the policy of "forced busing," which has required millions of school children to be daily bused out of their own residential areas in order that American

* As used here, forced busing is considered synonymous with most school desegregtion undertakings which are race-conscious efforts to balance the public schools by race, thus prohibiting some children from attending their neibhborhood school attendance centers.

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classrooms might comprise designated ratios of black and white students.

For over three decades numbers of American educators have proclaimed the merits of forced busing. This expensive and disruptive practice was initially justified by the assumption that black students would learn more effectively if they sat in classrooms which contained a number of whites. Despite annual costs that ran into billions of dollars the American busing = black achievement thesis went virtually unchallenged until the mid-1980s.(9) The National Institute of Education (NIE) then undertook a comprehensive study, designed to determine whether busing did enable blacks to learn more effectively. The nation's leading scholastic proponents of desegregation were unable to identify a single study which demonstrated that busing improved the long-term achievement profiles of blacks.(10) Nonetheless, and apparently because busing is a sensitive issue, those who shape national schooling policies continue to report desegregatory achievement benefits,(11) and even proclaim that blacks who participate in busing programs as schoolchildren are more likely as adults to obtain better jobs.(12) Careful attention to actual statistics demonstrates that neither claim can be empirically supported.(13)

It certainly could be argued that if the nation's leading spokesmen for busing cannot concede what the statistics clearly indicate, then genuine schooling reform is unattainable and the United States will continue to divert enormous resources into futile and educationally unproductive programs. Fortunately, recent developments suggest that viable reform is feasible. This hope springs from evidence that blacks are demanding educational accountability, now more than ever before. Mainstream blacks no longer uncritically support the position of civil rights leaders, whose careers have been built upon an insistence on the perpetuation of these race-conscious but unproductive programs.(14) Simply put, minority issues can no longer be simplistically moralized through racial polarzation.

Are "Push-Through" Programs Discouraging Minorities from Developing their Potentials?

Schooling provides one of the main vehicles for later employability, and in this paper I contend that American educators

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have been literally coerced into implementing "push-through" programs for minorities, all the way from kindergarten through college. Such programs encourage school personnel to think of students not as individuals but as members of a group. Emphasis, therefore, is not placed on the development of individualized learning programs, so that individuals, whether black or white, may later as adults draw upon marketable skills. Instead, the educators' attention is riveted on the establishment and maintenance of ethnic quotas in every component of the learning process. To meet the required quotas, students are uncritically passed from grade to grade. The final stage of the educational process ends with matriculation, when inordinately high numbers of blacks receive high school or college degrees without having acquired the requisite skills commensurate with those degrees. The burden then shifts to employers who, to avoid economic penalties and possible legal proceedings, are obligated to use race-conscious employment practices, and carry members of designated ethnic groups at various levels on their payrolls, whether or not these individuals are able to pull their weight. Small wonder that U.S. businesses are not fully competitive in the world market.

This system punishes virtually all groups within American society: the more qualified blacks whose authentic competencies are less likely to be recognized because of the stigma that blacks must receive special treatment; the less qualified blacks who are denied appropriate opportunities to develop skills that are later marketable and who often realize that they owe their degree and/or their job to patronage. Whites are also penalized, and become embittered when they conclude that it doesn't pay for white males to acquire skills, since they'll be passed over in the job market because of reverse discrimination. At all levels the schooling processes are mediocretized, and the nation's productivity is reduced while foreign competitors are handed a competitive edge.

Illustrations of "push-through" policies in favor of inadquate performance can be drawn from virtually every feature of elementary and secondary school programs. Suspensions, disciplinary actions, grades and special class placements are based in the U.S. today not on educational considerations but on race.(15) For this there is good reason. Monitoring committees at the Federal, state, and local levels periodically examine the progress of blacks and whites. These committees rarely assess

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policy implications from statistics which reveal that blacks at every grade level score lower on achievement tests than do whites and therefore it is likely that their grades will be lower. Similarly, monitoring committees characteristically overlook social class factors which partially explain the high black incidence of behavioral disorders, delinquency and crime. Many disadvantaged blacks are among the big losers of this benign tolerance. For them, schools often represent the last available organized institutional support system, before their lives stabilize into patterns of employability or unemployability.

At every grade level there are vast differences in students' learning needs, and historically teachers have been encouraged to deal with individual differences, but in the United States educationally relevant individual distinctions are often denied. IQ tests, for example, have long served as useful measures in setting academic strategies. While aptitude tests have their limitations, they have provided teachers with useful insights concerning objectives to be pursued, and most experts in testing and curriculum support the use of IQ measures since if some people are brighter than others the curriculum should adapt to what individual students can achieve.(16) Of course it is assumed that the limitations of the IQ metric be recognized and that each child receive maximum classroom challenge.(17) But because of persistant racial differences in performance in IQ tests, some reformers have opted for the elimination of IQ tests altogether. Says one critic, often an expert witness in civil rights litigation: "IQ scores represent the contemporaneous justification for maintaining the inferiority of minorities and children from low-income famies."(18)

Always controversial, the concept of IQ became an incendiary issue after school districts abolished school segregation, and placed black and white children in the same instructional groups. Students' IQs had traditionally served as useful instructional guides in assignments to different ability groups – usually high, middle and low. Circumstances changed with forced busing. Social class controls often collapsed as housing patterns no longer determined where childen attended school. Large numbers of lower social class blacks and whites began attending school with middle class whites and blacks. Under these changed conditions and when IQ was used as a criterion for grouping, most advanced classes contained a disproportionate number

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of whites; large numbers of blacks were assigned to classes which dealt with less challenging curricula. Unequal ethnic ratios were particularly noticeable at both ends of the IQ spectrum: few blacks were in classes for the gifted; few whites were placed in classes for the mentally retarded.(19)

Charging that IQ tests were biased and resulted in excessive numbers of blacks identified as mentally retarded, in the early 1970s a group of black U.S. psychologists filed a class action suit, *Larry P. vs. Riles*.(20) After more than a decade of litigation, school districts in seven Western states were forbidden from using IQ tests to evaluate black students for placement in special educational classes. In this ruling the judges stepped to a different drummer than most experts in intelligence testing. One extensive study, involving an anonymous questionnaire, reported that testing experts overwhelmingly supported the use of IQ tests. On an even more controversial note the experts endorsed the view that heredity significantly affects IQ; a majority of the respondents reported that they considered IQ differences between races and social classes to be somewhat hereditary.(21)

With the outlawing of IQ testing, school administrators turned to unlikely substitutes. In 1984, San Francisco school psychologists were prohibited from using IQ tests and were asked to "be creative" in determining students' eligibility for special education classes until new methods arrived.(22) For a year, the psychologists mostly marked time and applied guesswork in determining which students qualified for special programs. After about a year, the replacement test was announced: *Feuerstein's Learning Potential Assessment Device (LPAD)*. For those who assume that environment essentially shapes human development, the *LPAD* was the perfect instrument. In 15 years of experimental work in Israel, Feuerstein has essentially ignored children's IQs and assumed that the intellectual performance of all children can be "transmuted into higher and more dynamic functions."(23) Not only is there no evidence that the *LPAD* has validly identified various types of learning problems; the *LPAD* manual specifically and repeatedly cautions that the test should not be used to categorize, classify or determine eligibility for special education.(24) Unrestrained by a test that lacks validity and reliability, school personnel are now free to use race quotas as a factor in deciding which children qualify for various special classes. There should be fewer

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complaints that too many blacks are placed in rooms for the mentally retarded and too many whites in classes for the gifted.

Some schools districts have employed procedures other than the *LPAD* to deal with the IQ test ban. In *Larry P. vs. Riles*, the courts concluded that IQ tests contained cultural bias and that greater consideration should be given to students' social and cultural backgrounds in assessing intellectual capabilities. Some testing authorities interpreted this as an invitation to equalize the IQs of blacks, whites and Hispanics. Consequently Jane Mercer, a key plaintiff witness in *Larry P*, developed the *System of Multicultural Pluralistic Assessment (SOMPA)* which reportedly "heralds the beginning of nondiscrimination assessment."(25)

The *SOMPA* awards bonus IQ points to students with "disadvantaged" backgrounds. Its use is more ludicrous than a physician adjusting the scales to allow an obese patient handicap points to run a marathon. The *SOMPA* manual and college textbooks illustrate how the *SOMPA* permits psychologists to instantly raise the IQs of black students. Example: a black child's Full Scale IQ increases 21 points after special credits are given because he is black, comes from a broken family and has parents who failed to obtain a high school education. With consideration for his background, the child no longer has a borderline intelligence: his "new" IQ is above average and teachers are encouraged to provide more challenging classwork.(26) Many experienced teachers recognize this as a prescription for failure. Assigned work he cannot do, the child is likely to become frustrated and discouraged and to disengage from learning. These circumstances have become so common in racially desegregated schools that researchers have coined a term to describe the behaviors which frequently characterize black students upon whom unrealistic educational expectations are placed: "alienation," a syndrome "consisting of feelings of pessimism, cynicism, distrust, apathy and emotional distance."(27) The *SOMPA* and other "cultural fair" tests have created additional burdens for school personnel. After all, if there are no ethnic IQ differences, then schools, and school personnel, are responsible for any significant gap in black-white learning levels, or for racial imbalance in classrooms or ability groups.

After devising strategies to reduce or eliminate the black-white IQ gap, educational reformers focused on achievement

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test differentials. Research had invariably revealed that, as a group, whites surpassed blacks on achievement measures from kindergarten through college.(29) Therefore more whites received advanced assignments, and a higher proportion of them obtained diplomas and degrees. This troubled some civil rights advocates. Exercising creativity, they developed strategies to increase prospects that blacks and whites receive similar schooling experiences, irrespective of the skills individual students possessed. Two strategies were assigned highest priority: insisting that schools substitute ability or homogeneous groupings with heterogeneous grouping, and using tests which yield inflated scores, thereby masking the true extent of black educational disadvantage.

Very early in the civil rights movement, the NAACP and others interpreted ability grouping in racially imbalanced school as evidence of "within-school segregation."(29) In virtually every desegregated school district, whites were more heavily concentrated in advanced classes whereas blacks were more concentrated in less advanced classes. Pressure mounted for heterogeneous grouping or assignment of students to instructional groups regardless of ability. This strategy permits techniques such as "team learning," where more advanced students help the less advanced. There is no evidence that black children benefit from "teaming" and, in practice, more blacks than whites end up requiring help or being the subservient members of the "team." This fosters alienation with all the attendant signs of shame, incompetence, and anger. Such a situation does not help those black students whose abilities qualify them for membership of more advanced classes.(30) Such superior black students suffer as much as superior white students.

Heterogeneous grouping produces other problems. Teachers report that it is considerably more difficult to teach a classroom consisting of students with widely varying academic skills.(31) School desegregation has exacerbated teachers' difficulties in providing for students' individualized learning needs since the range of abilities within classrooms broadens when classrooms are made up of large numbers of black and of white students.(32) For example, in a typical heterogeneous tenth grade racially desegregated classroom, the skill level ranges from third grade through the second year of college. Most high

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school teachers have from 25 to 35 students in from four to six classes a day.

With 100 to 200 students daily, many teachers assign lessons designed for the average ability level. Consequently those students – black or white – who read at the third grade level are frustrated; students capable of reading at the college level are bored. Only the overbearing political goals of heterogeneous grouping remains: instructional groupings of students are racially balanced.

Under the prevailing U.S. legal and political climate, school administrators resort to other strategems in order to deal with political pressures associated with ethnic educational differences. One of the more popular of these is use of achievement tests which produce misleadingly high scores and distort the true magnitude of the ethnic achievement gap. With ethnic differences artificially reduced through statistical games, the required heterogeneous grouping appears to be more appropriate, and inflated test scores suggest the reasonableness of passing marginal students from grade to grade.

In recent years the *California Achievement Test (CAT)* has grown in popularity. On this measure it is not unusual for most of the white and some of the black students to obtain *maximum* scores.(33) Consequently better students are denied an opportunity to demonstrate just *how* competent they are. With the upper range of test scores capped, less competent students fare considerably better in comparison with students who have topped the test. This permits school administrators to report that poor and disadvantaged students have narrowed the achievement gap; because of general social class conditions this results in an apparent improvement in black students' academic attainments. In fact, it is impossible to estimate the true ethnic achievement differences unless test results fairly provide for all students to fully demonstrate their abilities in all achievement areas.

As students near completion of high school, the significance of racial differences acquires a new dimension. In many school districts and throughout the elementary and secondary years, variables are manipulated to equalize the IQs, achievement levels, suspension rates, grades, and special class placements of blacks and whites. But as graduation nears, some districts employ minimum competency testing (MCT) to determine who

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should get a diploma, which presumably represents a specified skill level in such achievement spheres as reading and mathematics. The high school diploma is often a requisite to higher education or to accessing certain jobs.

Early efforts to impose minimum competency testing (MCT) as a graduate requirement were thwarted: civil rights groups insisted that the high black failure rate was associated with segregated schooling which busing would correct. That argument now lacks viability since all American schools have been desegregated for more than a dozen years.(34) Where MCT occurs, blacks as a class continue to suffer a higher incidence of academic failure than whites. Moreover, tutoring blacks for MCT has been generally ineffective, even after second and third test administrations.(35) Presently there is no evidence that a single school district has denied diplomas on the basis of low academic attainments; in every major city of the United States diplomas are given to students with third to fifth grade grade reading and math skills. Nationally the average black high school graduate reads about 3.5 grade levels below the average white graduate. For black women the ethnic gap is somewhat smaller, for black males somewhat larger.(36)

Preferential Admissions for Minorities and Charges of College Racism

Largely ignoring students' academic deficiencies, institutions of higher education perpetuate the "pass-through" policies of public schools and admit marginal students, a disproportionate number of them black. Some researchers consider preferential admissions a primary reason for rising racial tensions on American campuses.(37) Blacks frequently feel uncomfortable on largely white campuses and 80% of them report that they have sensed some form of racial discrimination.(38) The problem of campus unrest is not localized and the troubled universities include some of the nation's most prestigious: Purdue, UCLA, University of Massachusetts, the University of Michigan, Amherst.(39) The recent increase in racial violence has surprised and puzzled university administrators who are uncertain how to respond. But Glen Loury, a black Harvard professor, theorizes that "push-through" policies of the elementary and secondary schools help produce the persisting black achievement gap which, coupled with a widely recognized policy of preferential college admissions — favoring less competent minority students

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at the expense of more competent white students who are deprived admission – may be a chief cause of racial strife.(40)

An examination of black complaints supports Loury's hypothesis. "It's not blatant," says one of the black students. Discrimination does not appear to be deliberate; rather it spreads from a pervasive perception of competency. "It's like you're the last person picked as a lab partner, or someone will learn over you and ask the person next to you what the professor said – like you wouldn't have understood it."(41) Other blacks complain that white students will study and share notes, but not involve them. These complaints suggest that the origins of much campus unrest may not lie in race but in the perceived academic competency of the students themselves, or in other words, in a system of preferential admissions which invites racial stigma. Certainly it is difficult to fault students, who want to succeed academically, if they gravitate toward those whom they view as the more competent among their peers.

Some blacks also allege racist faculty attitudes. A typical charge is that professors have low expectations of minorities. They notice absences, late submissions, and have a general feeling that minorities will make the bottom of the class.(42) Since the average black high school graduate, and college student, reads more than three grade levels below the white average,(43) professors' perceptions may, unfortunately, rest on experience. If in fact, professors expect all black students to read at the level expected of all whites, it is difficult to envision any scenario other than one which invites alienation.

Much of the racial difficulty experienced in higher education appears related to preferential policies which were hastily devised with little appraisal of consequences for those blacks who were unready or unable to succeed in standard college work. From 1950 to 1976, policies of preferential admission for minorities received high priority at most colleges. During that period the percentage of blacks in four year institutions more than tripled, peaking at 10.3% in the mid-1970s, but then declining.(44) Activists ascribe the recent slight decline in the proportion of blacks in colleges to racism; they prefer to ignore the ongoing crisis in the ghetto which has contributed to the steady post-1970 rise in dropout rates and has left increasing numbers of blacks less equipped for college success.

In higher education, "push-through" advocates encounter a

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familiar adversary, the IQ test, somewhat modified in the form of measures such as the *Scholastic Aptitude Test (SAT)* which most institutions employ as one of several screening techniques to shape admission policies. Nationally, black students' scores on tests such as the *SAT* indicate that should college admission require performance at the national average, or fiftieth percentile, the number of black students on campuses would be significantly reduced. In 1985, for example, 26% of black high school graduates enrolled in college. Surprisingly, and apparently because of general ghetto conditions which are sometimes unrelated to intellectual ability, there are no significant ability differences between black dropouts and high school graduates.(45) Therefore, and in view of national learning profiles, if colleges admitted *all* blacks with *SAT* scores equal to the national average, then 16% rather than 26% of black high school graduates would go on to higher education.(46) These figures suggest that large numbers of black students with *SAT* scores significantly below average manage to enroll in college and that the instrument is far from being consistently used as a screening device.

While many university administrators apparently ignore *SAT* results, there is a sound basis for employing these as one criterion. Studies have shown that *SAT* scores correlate with achievement measures, such as reading and math, which are critical to college success, and also that the instrument identifies students who are likely to fail if granted college admission.(47)

Despite the instrument's validity and reliability, the *SAT* is under attack. Recently the NCAA proposed that all college athletic recuits should have a grade point average of 2.0 (equal to C) and a minimum combined *SAT* score of 700. Critics responded by charging the NCAA with racism, since 55% of black college students have scores of 700 or less, compared to only 14% of white.(48) Conversely there are those who joust with the NAACP on the NCAA issue: they argue that an *SAT* score of 700 equates to an educably retarded score on the American Association of Mental Deficiencies standards as applied during the pre-desegregation era. They further argue that unless colleges downscale their curricula, few blacks with *SAT*s under 700 will succeed academically.(49) Actually, the black failure rate at largely white colleges is five to eight times that of whites, and a long-term study of University of Minnesota black athletes revealed that fewer than 10% actually gradu-

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ated.(50) Additionally, two separate studies of blacks admitted under preferential conditions reported failure rates of 37% and 49% after their cohorts attended college for only four semesters.(51)

University administrators, faced by discouraging black dropout and achievement rates, are inclined to ignore the complex reasons why one black student drops out of high school for every two who graduate.(52) Instead, they aggressively seek to increase the number of blacks on campus. In June 1987 a group of liberal arts schools including Pomona, Williams, Amherst, Johns Hopkins, Swarthmore and Occidental, met to devise new ways to enroll more minority group students.(53) Already some of the colleges pursue zealous recruitment tactics by going from door to door, searching for likely students in pool halls and even on street corners, to enlist additional blacks in colleges.(54) More than a few unemployed and astonished young blacks have been lured into college, with no questions asked about their academic skills or reading levels.

This uncritical admission of minorities is partially justified in the minds of the recruiters by the belief that test scores, IQ or achievement, can be discarded, and academic deficiencies remedied. The American Council on Education reports that a number of colleges presently spend as much as 25% of their total budgets on special remedial programs, largely designed to provide minority students with academic success.(55) However, there is no published evidence that even one of these programs has increased prospects for collegiate success. Given the facts that many young minority high school students are encouraged to attend college, expect help to succeed, and experience crushing defeat as a result of their inability to cope with the intellectual demands and psychological rigor of higher education, it is little wonder that many have come to perceive the white college university as "racist, corrupt, morally bankrupt and unresponsive to the oppressed."(56)

Black anger on white compuses is a relatively new phenomenon. While a return to segregated universities in the U.S. is not anticipated, the relatively brief history of black students on formerly white campuses explains a good deal of the tension presently surrounding higher education. Integration on white campuses came quickly and with little comprehensive planning. In 1960, 96% of all blacks enrolled in institutions of higher education were securing their education in historic black colleges

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(HBC). By 1973 the proportion had declined to 25%.(57) Until 1967, 80% of all undergraduate degrees awarded black students were earned at traditionally black colleges; in 1979, 56% of those were conferred in predominantly white schools.(58) At white colleges, black students generally encountered higher expectations than those prevailing at HBC; unsurprisingly, blacks report that they had to be more vigilant and were more distrustful at white colleges.(59) Conversely, they are more assertive and self-confident at HBC.(60) Jacqueline Fleming argues that black students enjoy enhanced opportunities for academic survival at HBC, where they make larger learning strides.(61)

To say that blacks are less stressed and learn more in HBC does not require that one should go as far as Mr. Gorbachev's conclusion that the United States should establish separate states on the basis of race. However, black attitudes and learning styles at historic black colleges, coupled with extensive black alienation at white institutions, call into question the value of preferential admission policies which may be more counterproductive than contributory as solutions to the problem of providing appropriate educational opportunities to all individuals in racially diverse mixed societies.

After High School and College: The Final Cost of Educational Patronage

"Push-through" programs may be described as benign efforts to equip blacks for equitable job opportunities and to create ethnic balance in the professions and work force. Available research suggests that, on the job and as a group, the average black performance falls below that of the average white despite or perhaps because of race-conscious policies to and through the college levels. After appraising the impact of affirmative action, Jencks concluded that it was in the economic interests of employers to discriminate against blacks since, as a group, they were less productive. He therefore urged government action so that employers paid heavily for practices which hire and promote on the basis of objective and work-relevant measures.(62) A careful reading of Feinberg's research indicates that he arrives at essentially the same conclusion.(63)

Apparently frustrated when race-conscious methods fail to enable blacks to be equitably placed on the job market, some social critics have questioned established personnel practices.

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Researchers deplore as racist the inclination of personnel officials to assign a high proportion of black male high school graduates to lower paying positions, and to insist on the relevance of applicants' reading and math skills.(64) However, in the continual emphasis on preferential treatment and racial proportionality beyond college and into the job market, personal competency and productivity are denigated as if they were irrelevant in a world that becomes ever more competitive.

On the job, ethnic differences persist and are particularly apparent in education, which is a preferred professional field for blacks; approximately half of all PhDs awarded to blacks are in education.(65) Rather surprisingly, blacks themselves appear to expect that they will fare poorly on competency testing. When the Texas legislature mandated teacher testing in 1984 in an effort to improve the state's public schools, and before the characteristics of the tests were even defined or agreed upon, blacks and Hispanics protested. They expected that their respective minorities would experience high failure rates.(66) Their prediction was accurate in Texas as well as in other states. When Florida administered teacher competency testing, the pass rate for whites was 80% while that of the blacks ranged between 35% and 40%.(67) Nationally, black failure rates have been so high that one black publication charged that the testing movement threatened to "screen blacks out of the teaching profession."(68) Perhaps the more pressing question concerns the effect on students, black and white, of teachers of whatever race who, benefitting from "education's dirty little secret,"(69) graduated from high school and college and have had conferred on them the awesome task of teaching in the nation's troubled public schools.

Preferential educational policies have contributed to ethnic differences in virtually every sphere of the work force. The pattern is consistent: a high proportion of minorities pass through high school and college without acquiring the requisite skills. The American Petroleum Institute administered the *Diagnostic Reading Tests* to job applicants; and found that black applicants read four grade levels below white applicants. The API concluded that white applicants have reading skills "well matched to the industry's reading materials while the reading skills of black applicants are marginal at best."(70) In New York City, $500,000 was spent by court order to produce a job-relevant and nondiscriminatory test; nonetheless, the pass

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rate for black police officers was 1.6% compared to 10.6% for whites.(71) The low scores of black applicants to medical school has raised concerns about what can be done to increase the number of black physicians without compromising the quality of medical care.(72) Ironically, recent research strongly suggests that well intentioned and race-sensitive educational policies have contributed to ethnic disparities reported in virtually all job categories, and have thus exacerbated unemployment conditions for America's burgeoning minority underclass.(73)

Toward "Color-Blind" and More Productive Schooling

To an important extent, the future of American economic productivity depends upon educational strategies devised within our schools. Effective learners are more likely to become happy and productive adults. In an ethnically monolithic nation such as Japan, educators focus largely on instructional objectives. This contrasts with U.S. pluralistic schooling policies, which for political reasons are obligated to place emphasis on ethnic considerations.

Since the 1950s, American schools have diverted enormous financial and intellectual resources into efforts designed to promote equity. Authentic ethnic differences have been largely ignored and questionable practices undertaken in an effort to artificially reduce the magnitude of minority and white student IQ and achievement profiles. This has produced two main consequences. First, the real educational needs of students have often been subverted to political objectives. Many teachers have found that it is more important to provide similar experiences to equal numbers of black and white students than to deliver appropriate individualized instruction. Secondly, educational standards have been subverted to legal and political considerations; too often students have been uncritically promoted through the public schools and frequently into college, only to suffer academic failure or to obtain devalued diplomas which have little meaning or utility in the world of work.

Blacks have paid a particularly high price for the political expediency which has marked American schools for the past thee decades. Since the 1950s, black dropout and unemployment rates have steadily moved upward, despite burgeoning and race-conscious compensatory programs. Courtland Milloy remarks that "Never in history have there been so many black

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youths about to become adults without an iota of job experience. Ill-prepared, arrogant and with unusually high expectations, they can be expected to create social and political problems that cause havoc in the neighborhoods first, then spill over to take a toll on the system"(74)

Minorities will consitute an increasingly large proportion of our work force in future years. If the United States is to remain the leader of the free world it must begin the difficult task of rethinking educational priorities. More attention must be directed to the vastly divergent needs of individual learners within the schools and where possible this should be done during the early years; the race of the student should be deemphasized if not altogether ignored. After all, ethnicity is an irrelevant variable in any educational enterprise characterized by productivity and equity.

FOOTNOTES

(1) "What is culture's role in economic policy," *Wall Street Journal*, December 22, 1986, p. 1; Ramirez, Maria. *Bulletin: Center for Multinational and Comparative Education,* State Education Department, State of New York, Albany, April-May, 1987; Cuomo, Mario. Address to graduates of Grinnell College, Grinnell, Iowa, May 18, 1987.

(2) Separate international studies of elementary and secondary students have reported that Americans have scored at or near the bottom (Flunking the Test. *America's Future*, February 1984, pp. 2-3. In comparison with their counterparts in seven other industrialized countries, U.S. students ranked last in math and not much better in science and geography. Also, Grant W. Vance: Organization for Economic Cooperation on Development. *A Resume of the Survey of the International Association for the Evaluation of Education Achievement.* Paris, 1974. Also, Lantor, Linda. "Iowa high schools slipping behind world in math education." *Des Moines Register*, May 17, 1987, p. 1. Lantor reports findings of the Second International Math Studies which examine learning profiles in twenty countries or educational systems. American twelfth graders were only ahead of three groupings: British Columbia (Canada), Thailand, and Hungary.

(3) *New York Times*, September 24, 1986, p. 12.

(4) *Waterloo Courier*, April 19, 1987; Associated Press release, p. A4. Here the Associated Press reports that Gorbachev suggested that the United States set up separate states for blacks and other minorities. Gorbachev offered the suggestion as a solution to U.S. race problems to a group of congressmen in mid-April, some of whom later said they were startled by the remark. Rep. Mickey Leland (D. Texas), a black, reportedly told Gorbachev on the way out of the meeting that the United States doesn't handle racial relations that way. The Rev. Jesse Jackson agreed and added that Gorbachev "would do well to focus on a solution to the treatment of minorities within the Soviet Union as opposed to trying to focus on one he's not acquainted with."

(5) Freeman, R. B. and Holzer, H.J. "Young blacks and jobs: What we now know." *The Public Interest*, 1985, pp. 18-31; Hoffman, L.W. "Work, family and the

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child." In: M.S. Pallak and R.O. Perloff (eds.). *Psychology and Work. Productivity, Change and Employment.* Washington, D.C. American Psychological Association, 1986, pp. 196-220.

(6) "Native sons: Inner city black males are America's newest lost generation." *Time*, December 1, 1986, pp. 26-27; Unemployment among blacks increased 25% in 1960 to nearly 40% in 1985; see *Time*, February 2, 1987, p. 20.

(7) *Time*, December 1, 1986, op. cit.; Ellwood, David T. and Summers, Laurence. Is welfare really the problem? *The Public Interest*, Spring 1986, pp. 57-78.

(8) Otten, Alan L. Poor will find that many jobs are out of reach. *Wall Street Journal*, May 27, 1987, p. 56; also *Wall Street Journal*, June 2, 1987. This article reports that minorities presently account for nearly half the elementary and secondary population in Texas and California; projections are made concerning America's future work force.

(9) Total costs for busing at the Federal, State and local levels have never been calculated, which Mr. Nakasone would probably find incredible. In Milwaukee alone and in a single year, 30,000 staff hours were diverted into calculating the race of students to attend the various schools (Bennett, David A. *The impact of court-ordered desegregation in schools and the courts*. Eugene, Oregon: ERIC Clearinghouse on Educational Management, 1979, p. 111). More than two generations after forced busing affected every major school district of the country, William H. White the staff director for the Office of National Civil Rights Issues of the U.S. Commission on Civil Rights (USCCR) acknowledged "I'm unaware of any comprehensive study of school desegregation nationwide" (*Christian Science Monitor*, September 17, 1978). Until today, no agency has publicized an analysis of nationwide busing expenses. At a cost exceeding $300,000, the USCCR completed in 1987 a survey of how busing has altered housing patterns as a result of middle class flight (Memo from Susan Prado, Director of the USCCR, Washington, D.C., May 1987).

(10) Scott, Ralph. *Synopsis of the 1982-83 National Institute of Education Study into the relationship between desegregation and black learning*. Washington, D.C., U.S. Department of Education, 1984.

(11) *Newsweek*, June 30, 1986, p. 16; Hochschild, Jennifer L. *The New American Dilemma: Liberal Democracy and School Desegregation*. New Haven: Yale University Press, 1984, pp. 63-64; also, Wisconsin Governor Anthony Earl's actions to reduce forced busing in the Milwaukee area has been termed "racist" by Milwaukee school superintendent Lee McMurrin who insisted that busing enhanced quality education for blacks, an apparent reference to presumed achievement benefits (*Wisconsin State Journal*, April 23, 1987, p. 1).

(12) Crane, Robert L. and Strauss, Jack. School desegregation and black occupational attainment. Center for Social Organization of Schools Report. Washington, D.C.: Johns Hopkins University, July 1985, Report No. 359, pp. 1-40.

(13) Scott, Ralph *Synopsis of 1982-83 NIE Study*, 1984, op. cit.; In the Crain-Strauss study, the control sample contained more disadvantaged students, the busing was voluntary and as the project progressed increasingly large numbers of parents refused to permit their childrens' participation; the sample was not randomized, many student records were missing and far less than half the students could be located for appraisal purposes.

(14) From the 1950s until well into the 1970s it was relatively easy for civil rights leaders to convince most blacks that easy answers explained such complex issues as the black-white achievement gap. To most blacks it seemed logical that inferior black schools explained lower black learning levels. Compensatory programs such as busing seemed to make sense. No more. Too many blacks have experienced busing realities. One national poll revealed that 68% of black leaders but only 44% of blacks favor busing. After a decade of busing, 79% of Boston black parents requested the right to have children attend a neighborhood school (Wilkinson, J. Harvie III. *From Brown to Bakke: The Supreme Court and School Intervention.* New York: Oxford University Press, 1979; Also Raffel, Jeffrey A. *One Year Later:*

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Parent Views Toward Schools in New Castle County after the First Year of Desegregation. Newark, Delaware: College of Urban Affairs and Public Policy, 1979; *Boston Globe,* March 5, 1982). In other cities, support for busing waned after black parents witnessed how the practice affected their children and families.

Similar trends appear concerning preferential treatment. In one poll, only 33% of blacks believed that colleges should admit some blacks whose records wouldn't normally qualify them for admission; 77% of black leaders favored job preferences compared to 23% of mainstream blacks (*Time*, February 2, 1987, p. 20).

Public opinion samplings therefore reveal what should have been apparent long ago. Blacks, like whites, want only the right to compete fairly for jobs. They want the best education for their children, whether that involves busing or neighborhood schools, colleges or a job after high school. For many blacks, educational questions are matters of special urgency. Presently about half of all teen age blacks are unemployed, in jail or unaccounted for (Milloy, Courtland of the *Washington Post*. Black unemployment: High rate among males portends a 'nightmarish' problem for society. *Waterloo Courier,* May 21, 1984, p. D1.

(15) Illustrations describing how school personnel are urged or even coerced into diverting schools from educational functions is described in Schofield, Janet W. *Black and White in School: Trust, Tension or Tolerance*. New York: Praeger, 1982. Also, see Horstmeyer, Mark. Report: Programs for gifted students racially imbalanced. *Des Moines Register*, October 14, 1985; also, Burgess, Charles E. Harsher discipline for blacks is reported. *St. Louis Globe Democrat*, March 18, 1984; Hurwitz, Howard. Should school discipline depend on race? *Human Events*, January 24, 1981, p. 60.

(16) Snyderman, Mark and Rothman, Stanley, Survey of expert opinion on intelligence and aptitude testing. *American Psychologist*, Vol. 42 (2), February 1987, pp. 137-144.

(17) The potential for misuse of IQ results certainly exists and since genetic and environmental factors are interwoven they cannot be precisely parcelled out. However, statistical safeguards are commonly employed by skilled psychologists and educators; these include confidence intervals, which place the "true" IQ within a range based on test data (Sattler, J.M. *Assessment of Children's intelligence and special abilities*, Rev. ed., Boston: Allyn and Bacon, 1982).

(18) Brookover, Wilbur B. Can we make schools effective for minority students? *Journal of Nego Education*, Vol. 54 (3), 1985, pp. 257-268.

(19) Elliott, Rogers. *Litigating intelligence: IQ tests, special education, and social science in the courtroom.* Dover, Massachusetts: Auburn House Publishing, 1987; also, Schofield, op. cit.

(20) Bersoff, Donald N. Regarding psychologists testily: The legal regulation of psychological assessment. In: *Psychology and the Law* (C.J. Scheirer and B. L. Hammonds, eds.) Washington, D.C.: American Psychological Association, 1983. Also, Foster, G. Susan. Court finds IQ tests racially biased for black pupils' placement. *Education Week*, February 8, 1984.

(21) Snyderman and Rothman, op. cit.

(22) Carpignano, Josephine. Problems in the practice of responsible school psychology. *The School Psychologist,* Division 16 American Psychological Association, Vol. 41, Paril 1987, pp. 2-4.

(23) Cordes, Colleen. Reuben Feuerstein makes every child count. *American Psychological Association Monitor,* Vol. 15 (5), May 1984, p. 18.

(24) Carpignano, op. cit.

(25) Vensel, Deborah S. Assuming responsibility for the future of school psychology. *School Psychology Review,* Vol. X (2), Spring 1981, p. 182.

(26) Mercer, Jane R. and Lewis, June F. *System of Multicultural Pluralistic Assessment: Student Assessment Manual.* New York: Psychological Corporation 1978, p. 48; Sattler (op. cit.) provides an illustration whereby the SOMPA might elevate a black child's IQ by more than 30 points (p. 280+).

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(27) Exum, William H. *Paradoxes of Protest: Black Student Activism in a White University*. Philadelphia: Temple University Press, 1985, pp. 39-42. Also, see Scott, Ralph. *Mandated desegregation and black students' anomie: Historical overview of concerns expressed on the issue and summary of the empirical evidence*. Paper prepared for the Attorney General, State of Missouri, February 15, 1982.

(28) Statistically significant ethnic achievement differences are reported from the prekindergarten years through college. Scott, Ralph. Home Start: Follow-up assessment of a family-centered preschool enrichment program. *Psychology in the Schools*, April 1974, Vol. 11 (2), pp. 147-149; Scott, Ralph. Sex and race achievement profiles in a desegregated high school in the deep South. *The Mankind Quarterly*, Spring 1985, Vol. 25 (3), pp. 291-302; Robertshaw, Dianne and Wolfle, Lee. The cognitive value of two year colleges for whites and blacks. *Integrated Education*, May-December 1981, pp. 68-71; Kennedy, J. B. and Anderson, H. E. A comparative study of selected black and white (college) sophomore students in a required reading test. *Journal of Experimental Education*, 1984, Vol. 53 (1), pp. 20-28; Schofield, op. cit.; Scott, Ralph S. *Ability grouping and quality education: A review of the evidence*. Paper prepared for the Honorable W. Brevard Hand, Chief Judge of the U.S. District Court, Southern District of Alabama, October 1983.

(29) Hochschild, op. cit.; Schofield, op. cit.; *State of Georgia, et. al. Defendants — Appellees. No. 84-8771, U.S. Court of Appeals, Eleventh Circuit,* October 29, 1985.

(30) Scott, Ralph. *Ability grouping and quality education*, op. cit., 1983.

(31) Evertson, Carolyn M., Sanford J.P., and Emmer, E.T. Effects of class heterogeneity in junior high school. *American Educational Research Journal*, Summer 1981, pp. 219-232; Schofield, op. cit.; Feeney, Paul. A teacher's diary of the desegregation of South Boston High School. *South Boston Times*, Vol. 19 (26), 1986; Also, in *Birdie Mae Davis, Mobile County Alabama (Civil Action No. 3003 — 63 — H)*, the NAACP and other plaintiffs claimed that the widening dispersion of achievement scores within class was caused by desegregation. Without heterogeneous grouping, they charged, resegregation would occur within classrooms and instructional grouping of pupils.

(32) Evertson, Sanford and Emmer, op. cit.; *Birdie Mae Davis*, op. cit.; Scott, Ralph. Social class, race, seriating and Reading Readiness. *The Journal of Genetic Psychology*, 1969, 115, p. 87-96.

(33) Bilello, Suzanne. Minorities raise scores in Arlington. *Washington Star*, February 19, 1981; Scott, Ralph. Sex and race achievement profiles in a desegregated high school in the deep South, op. cit.

(34) U.S. District Judge Carr initially ordered a four year delay in implementing literacy tests in Florida. In so doing, Carr concurred with a NAACP complaint that literacy tests would deny a disproportionate number of minority students their high school certificates and that this would be unfair since, at least to a significant extent, blacks' lower achievements were associated with segregated learning (*Wall Street Journal*, December 23, 1980, p. 14; *Time*, July 30, 1979). Four years later, after blacks had attended desegregated schools, the ban on literacy tests was lifted: there were no significant pre- and post-segregation differences in the ethnic failure rates.

(35) Serow, Robert C. Effects of minimum competency testing for minority students. *Urban Review*, Vol. 16 (2), 1984, pp. 67-75.

(36) Scott, Ralph, Sex and race achievement profiles in a desegregated high school in the deep South, op. cit. Here the ethnic differences in reading averaged 3.6 grade levels, despite elevated scores which tended to artifically narrow the ethnic achievement gap. Also, see Coleman, James S., et. al., *Equality of Educational Opportunity*. Washington, D.C.: U.S. Government Printing Office, 1966.

(37) Loury, Glenn C. Why preferential admission is not enough for blacks. *The Chronicle of Higher Education*, March 25, 1987, p. 100; Simpson, Janice C. Black college students are viewed as victims of a subtle racism. *Wall Street Journal*, April 3, 1987, p. 1.

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(38) Simpson, April 3, 1987, op. cit.; Yardley, Jonathan of the *Washington Post*. Racism rears its ugly head on campus. *Waterloo Courier*, March 30, 1987.

(39) *Time*, April 6, 1987, p. 57.

(40) Loury, op. cit.

(41) *Time*, April 6, 1987, p. 57; Simpson April 13, 1987, op. cit.; Another perspective is presented by Lynn Clow who notes that some whites have experienced that college black students do not want to be friends or associated with them professionally (Letter to the Editor, *Wall Street Journal*, May 6, 1987).

(42) Simpson, April 3, 1987, op. cit.

(43) Ibid.

(44) To some extent the decline in black college enrollment is understandable in view of rising black dropout rates during the past two decades (*Wall Street Journal*, June 2, 1987); Also, black college enrollment is affected by such factors as the unemployment rate and infant mortality rates which are associated with physical factors which restrict learning ability (Howard, Jeff and Hammond, Ray. Rumors of inferiority. *The New Republic*, September 9, 1985, pp. 17-22. Also Howard, Jeff. Rethinking race. *The New Republic*, February 9, 1987, pp. 7-10; Pruitt, Anne S. and Paul D. "Discrimination in recruitment, admission and retention of minority graduate students. *Journal of Negro Education*, Vol. 54, 1985, p. 26+.

(45) Unfortunately, a computer search reveals no careful investigation of possible demographic differences of black dropouts and high school graduates. Broad cultural differences appear to be the determining factors, not necessarily intelligence (Horn, Miriam. The burgeoning educational underclass. *United States News and World Report*, May 18, 1987, pp. 67-68; this is affirmed by Lavin, D.E. *Summary of the report 'Open admission at City University of New York.'* Bethesda, Maryland. ERIC Document Reproduction Service ED 097400); Lavin reports that all indices of college academic performance related more to retention than to high school grades (this may be an affirmation that "push through" policies, characterized by undeservedly high grades, is ultimately counterproductive). Further, Lavin observes that those blacks without minimum academic requirements were likely to drop out of college.

(46) *Wall Street Journal*, June 2, 1987; national statistics indicate that 16% of American blacks score at the white average IQ (Jensen, A.K. *Bias in Mental Testing*, New York: Free Press, 1980).

(47) Lavin, D.E., op. cit; also Bregman S.L. and Johnson, J.J. *Persistence of educational opportunity program students. Indiana University Studies in Prediction* No. 73, Bethesda, Maryland, ERIC Document Reproduction Service ED 134076.

(48) Hawes, Chris. "Proposition 48 causes controversy" *The Northern Iowan*, University of Northern Iowa, Cedar Falls, September 23, 1986. Also, Howard, Jeff and Hammond, Ray, op. cit; Wainer, Howard. An exploratory analysis of performance on the *SAT*. *Journal of Educational Measurement*, 1984, Vol. 21 (2), pp. 81-91.

(49) Lavin, op. cit.; since an *SAT* of 700 is below the benchmark of educable mental retardation as established by the American Association for Mental Deficiency during the pre-civil rights era and in view of the overwhelming conviction of most testing experts that the IQ is a valid and useful measure (Synderman and Rothman, op. cit) it is difficult to fault the Lavin argument that many disadvantaged students will fail if provided preferential college admisions. Separately, Dean Baker, University of Michigan regent, recently declared that "the value of a Michigan degree is in danger if the university succumbs, for whatever reason, to an admission standard which compromises academic quality." (*U.S. News and World Report*, June 8, 1987, p. 75.)

(50) Research suggests that the average achievement scores of blacks attending college are considerably below those for whites with the same type of education (Robertshaw, Dianne and Wolfle, Lee, op. cit.); Loury (op. cit.); Also, Allen, Walter R. Black students, white campus: Structural, interpersonal and psychological correla-

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tes of success. *Journal of Negro Education*, Vol. 54 (2), 1985, pp. 134-147; Allen states that black attrition rates are five to eight times those for whites on white campuses; Also, Kennedy and Anderson, op. cit. Ronald Taylor notes that only 25% of blacks enrolled at the University of California, Berkeley, graduate whereas 67% of whites get their diplomas. (*U.S. News and World Report*, June 8, 1987, pp. 75-76.)

(51) Lavin, D.E. and Silberstein, R. Student retention under open admissions at City University of New York. *Integrated Education*, Vol. 12, 1974, pp. 26-29; Tambe, Joseph T. Predicting persistence and withdrawal of open admissions students at Virginia State University. *Journal of Negro Education*, Vol. 53 (4), 1984, pp. 406-417.

(52) *U.S. News and World Report*, May 18, 1987, p. 67.

(53) *Wall Street Journal*, June 2, 1987, p. 1; Reponding to test criticisms, some colleges have announced they will discontinue requiring the *SAT*s as part of admission requirements. (*Wall Street Journal*, April 15, 1987, p. 37). If the *SAT* and similar tests are dropped, the question of test bias will remain since they correlate with achievement measures such as reading and math tests and ethnic differentials are essentially the same. If both aptitude and achievement tests are omitted as admission criteria it is difficult to understand how colleges will maintain standards so American graduates can compete with their foreign counterparts and still permit target numbers of minorities to graduate.

(54) Simpson, June 2, 1987, op. cit.

(55) Ibid.

(56) Exum, op. cit., p. 39.

(57) Allen, op. cit.; Darden, J.T. and Hargett, S. Historically black colleges and the dilemma of desegregation. *Integrated Education*, May-December 1981, pp. 48-52.

(58) Allen, op. cit.

(59) Allen, op. cit.; Exum, op. cit.

(60) *Jet* 70: 200, September 8, 1986; also, see *New York Times Magazine*. The dwindling black presence on campus, April 27, 1986, pp. 47-48; Bell, Yvonne K. and Jackson, Miranda K. Assertive behavior among black college students. *Journal of Black Psychology*, 1984, Vol. 11 (1), pp. 19-27.

(61) Fleming, Jacqueline. Chance for success better at black colleges. *Jet* 69: 24, March 17, 1986; Fleming reports that black students at white colleges achieve significantly less than at black colleges (*Wall Street Journal*, April 3, 1987, p. 1).

(62) Jencks, Christopher. Affirmative Action: Past, present and future. *Special Issue: American Behavioral Scientist*, 1985 (July-August), Vol. 28 (6), pp. 731-760.

(63) Feinberg, William E. Are affirmative action and economic growth alternative paths to racial equality? *American Sociological Review*, August 1985, Vol. 50 (4), pp. 561-571.

(64) Braddock, Jomils, Crain, Robert, McPartland, James and Dawkins, Russell. How race affects job placement decisions. *Center for Social Organization of Schools Report* No. 359. Washington, D.C.: Johns Hopkins University, July 1985, pp. 1-41.

(65) Loury, op. cit.

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(73) Loury, op. cit.; Freeman, R. B. and Halzer, H. J., op. cit.

(74) Milloy, Courtland, op. cit.; Also, see Wilson, William. *The Truly Disadvantaged: The Inner City, The Underclass, and Public Policy*. Chicago: University of Chicago Press, 1987. Here the author argues that race-specific policies do little to assist unskilled ghetto blacks, while aiding better prepared and more culturally advantaged blacks.

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SOCIO-CULTURAL RELEVANCE: THE MISSING LINK IN DEVELOPMENT PLANNING

By Ajit Kumar Singh

The central concern of the present paper is with the appropriateness of development planning and policy being pursued to bring about economic transformation in the countries of the Third World. My reflections are mainly based on and pertinent to the development experience of India, where planning for economic development was adopted as far back as 1951. The discussion, however, raises issues relevant for other developing countries as well.

It will be argued here that the present malaise and disenchantment with planning has resulted from the effort of Third World planners to replicate the contemporary Western economic model with its over-emphasis on industrialization and economic socio-cultural and economic conditions prevailing in their own countries. The planners have furthermore showed an almost exclusive preoccupation with economic and technological factors and failed to take into account the powerful positive and negative effects of social, cultural, political and other non-economic variables; i.e. the social matrix within which economic variables operate. The paper also inter-alia raises the issue of appropriate short and long term goals of planning.

The drive to planning in the countries of the Third World has emanated from their desire to become modern industrial states on the lines of the advanced Western countries. In fact, the so-called 'revolution of the rising expectations' was born out of the sharp and increasing disparities in the economic conditions in the countries of the First and the Third World. The advanced Western countries held the mirror for the future to the ruling elites in the under-developed countries. 'To catch up with the advanced Western countries' became the driving force for change everywhere in developing countries, including Mao's China which tried certain innovative policies in the field of socio-economic transformation. It is this desire to catch up with the West which is responsible for the exclusive and undue concern with rates of growth of the GNP.

The Western economic model or paradigm reigns supreme to

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this day in countries of the Third World, with rare exceptions, even if some questioning voices have been raised both in the developing and the developed countries. The ruling elites are displaying an imitative rather than innovative leadership in following this dependent form of development. Their dependence in other fields follows from this acceptance of the contemporary Western paradigm as the final goal of development.

The contemporary Western paradigm itself is identified with industrialization and associated structural changes delineated by scholars like Colin, Clark, Kuznets and Chenery. Development according to this view is seen as a process of transforming a predominantly agricultural and rural economy into an industrialized urban economy. The task of development planners then becomes one of suggesting ways to bring about this transformation, which is seen as depending upon heavy investment in the modern industrial sector. Given the prevailing conditions in the developing countries this requires an inflow of capital technology and skilled manpower from abroad, leading to increasing enmeshing and dependence of the developing countries with the economies of the advanced countries and the external world generally.

That this pattern of development may not be fully compatible with the local conditions seldom disturbs the planners. Nor do they pause to think that the favorable conditions that existed to facilitate the growth of the present day advanced countries in the earlier period cannot be recreated. It is indeed surprising that voices of doubt are more often raised by Western scholars rather than the scholars or leaders of the developing countries. Louis Lefeber, who had personal experience of development planning and economic conditions in the developing countries of Asia, including, had argued in no uncertain terms against the possibility of reproducing the Western paradigm throughout the present day world, more than a decade ago. To quote him:

> . . . those special conditions which prevailed earlier in the nineteenth century in the case of western industrial nations and even in the twentieth century for the Soviet Union, and which made the above transformation possible, do not exist any more. And if the required conditions do not exist and cannot be recreated, strategies for economic development patterned on a western paradigm are also bound to fail. (1)

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Lefeber's analysis focuses upon the favorable conditions whch allowed international migration of labor and capital on a large scale, the abundant land supply available in the new colonies, and an accompanied process of rising income and consumption which sustained high growth of income and output. While this analysis rightly highlights some of the major structural differences in the conditions of economic growth in the nineteenth and the twentieth centuries, it falls short of raising the question of the socio-cultural relevance of the Western paradigm although it does call for a search for a new paradigm for development.

The unquestioning effort to develop on the pattern of the Western paradigm is based on two erroneous beliefs regarding the process of developement. The first erroneous belief is that development is a unidirectional linear process through which every country must pass as though governed by an irrestible force of destiny. Such a view propounded in works like Rostow's *Stages of Economic Growth*won had a powerful grip on the minds of the leaders and planners in the developing countries. The idea of 'take-off' caught their imagination and gave them an operational tool to forge their plans. That such a view of development as a undirectional automatic process is nothing more than a convenient classificatory frame, which fails to do full justice to the individual variations in the process of development in both developed and developing countries, was not fully appreciated till recently. It still has a strong dampening impact on the view of the desirability of following a hitherto uncharted course of development more in consonance with the prevailing conditions and genius of the people.

The second erroneous view which still has a powerful hold on the thinking of the development planners is to look at development as more or less a monocausal process. Such a view found its expression in the idea of the 'vicious circle of poverty' centered around the problem of shortage of capital, which came to be regarded as the main cause of poverty or underdevelopment. The remedy lay in raising the rates of investment in these economies. The Harrod-Domar model became the main operational tool of the development planner all round the world. The overwhelming importance of capital formation in the process of development implied in such analysis was questioned by scholars like Cairncross(3) and T. W. Schultz.(4) Still the problem of resource mobilization – domestic as well as

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external – remained the prime concern of development plans. Such an approach failed to grasp the essentially comprehensive nature of the process of development in which a multitude of factors – economic and non-economic – act and react upon each other. Though recognizing that economic development and social change are interlinked, the development planners remained preoccupied with the former, which was of course an easily identifiable and measurable concept open to manipulation.

The pursuit of the goal of economic development in accordance with the Western paradigm in the countries of the Third World over the last two-three decades did succeed in raising the levels of rates of growth over the past historical trends and in creating a few symbols of modern development like big factories and power stations. However, hardly anywhere did this process of development tackle the basic problems such as unemployment, poverty, malnutrition, unsatisfactory conditions of living of the masses and so on. The fact that the process of growth was by-passing the vast majority of the population in the developing countries led to some shifts in the perception of development planners and talk of redistribution of wealth, growth, social the justice and of removal of poverty, labor intensive technology, etc. became fashionable.(5)

In our view, however, the search for redistributive policies under the pressure of populist demands does not imply a basic change in development planning and the conventional wisdom underlying such planning. These measures are an additive, not an integral part of the development plans. Neither the goals of rapid growth and industrialization nor the emphasis on investment planning has come in for serious questioning. The following quotation from the current *Sixth Five Year Plan of India* is a good example of this type of thinking:

> The strategy adopted in the Sixth Plan consists essentially in moving simultaneously to strengthen the infrastructure for both agriculture and industry so as to create conditions for an accelerated growth in investments, output and exports, and to provide, through special programmes designed for the purpose, increased opportunities for employment especially in the rural areas and the unorganised sector and meet the basic needs of the people . . . . The attack on the problem of poverty is most effective only in the conditions of an expanding economy.(6)

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The basic approach underlying the above statement is hardly different from what was proclaimed two decades ago in the *Third Five Year Plan of India*:

> The basic objective is to provide sound foundations for sustained economic growth for increasing opportunities for gainful employment and improving living standards and working conditions for the masses.(7)

Planning in India is a telling example of an attempt to develop on the modern Western lines without considering the socio-cultural relevance of the model to the Indian conditions. The Gandhian model encompassing a comprehensive view of economic and social change in the traditional Indian society, which could provide a basis for such a socio-culturally relevant pattern of development, was rejected by the rulers of Independent India in the very beginning in favor of the modern Western model. The chief concern of India's Five Plans, of which the sixth is currently under way, has been with raising the rate of investment in the economy to bring about the structural changes thought necessary for a modern progressive economy.

The emphasis on modern technology, growth of large scale industry particularly of basic and heavy variety and structural change as the key factors in the development of the country has characterized each successive Five Year Plan in the country as the following quotations from the plan documents amply illustrate.

> It is no exaggeration to say that the most important single factor in promoting economic development is the country's readiness to develop and apply modern technology to processes of production.(8)
>
> The use of modern technology requires large scale production and an unified control and allocation of resources in certain major lines of activity. These include exploitation of minerals and basic and capital goods industries which are major determinants of the rate of the economy.(9)
>
> Rapid industrialization and diversification of the economy is thus the core of development. But if industrialization is to be rapid enough, the country must aim at developing basic industries and industries which made machines to make the machines needed for further development.(10)

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> While agriculture and industry must be regarded as closely linked parts of the same process of development, there is no doubt that industry has a leading role in securing rapid advance.(11)
>
> A shift in the sectoral composition of production, diversification of activities, an advancement of technology and institutional innovations have all been part of the drive to change a feudal and colonial economy into a modern and independent identity.(12)
>
> The main task of economic planning is to bring about a structural transformation of the economy so as to achieve a high and sustained rate of growth . . . .(13)

To attain such an structural transformation and sustained rate of growth a gradual step up in rates of investment was thought necessary. "Among the principal conditions for building up a self reliant economy, which can sustain a high rate of growth are an adequate level of domestic capital formation, the maximum effort possible in developing exports, and availability of external assistance during the critical period of transition."(14) Investment planning in a Harrod-Domar type of framework, which has gradually become more and more sophisticated, has remained the chief tool of development planning in India.

The planners pinning their faith in the 'trickle down process' have remained obsessed with the growth objective to the neglect of that of the distributive justice — an obsession which is at odds with the actual rates of growth observed. The rhetorical emphasis on objectives like removal of poverty, unemployment and social justice which became pronounced specially since the Fifth Five Year Plan have not implied a rejection of the goals and assumptions of planning as pursued earlier. Nor have the new measures introduced to meet the objectives of social justice become an integrated part of the plans as argued earlier.

It is not that the planners were unaware of the role of social factors in the process of development. Especially in the earlier plans the need of changing attitudes, institutions and social values was recognized in no ambiguous terms. In the Second Five Year Plan it was observed: "Development is a continuous process; it touches all aspects of community life and has to be viewed comprehensively. Economic planning thus extends itself into extra-economic spheres, educational, social and cul-

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tural."(15)

The Third Five Year Plan referred to the need for "bringing about a synthesis between the scientific and technological civilization of the modern world and India's old culture and thinking."(16) The plan went as far as to say that "at all times there should be due stress on the moral, human and spiritual values which give meaning to economic progress.(17) Such statements, it appears in restrospect, were in the nature of asides and not the main theme of the drama of development. The Indian planners have failed to utilize social values as aids to development, for which history had provided them a great opportunity.(18)

What has been the outcome of thirty years of developmental efforts on the Western lines in India? To what extent has such an approach been able to meet the aspirations of the people and provide the masses of the Indian people 'the opportunity to lead a good life' promised by the planners?

Substantial and in some respects impressive achievements in the field of economic growth have been recorded in the country, which are in sharp contrast to the historic patterns.(19) National income during the first three decades of planning increased at an annual trend rate of 3.5%, agricultural production at a rate of 2.7% and industrial production at a rate of 6.1%. However, per capita income could increase at a rate of 1.1% only, due to the rapid increase in population. The proportion of gross savings to gross domestic product has gone up from around 10.0% to around 24.0%.

The share of agriculture and allied sectors in GNP has declined from 58.9% in 1950-51 to 41.6% in 1978-79. During the same period the share of mining, manufacturing and construction increased from 14.9% to 22.5%. The pace of the structural shift has, however, slackened during the last decade or so. There was moreover no corresponding shift in the occupational pattern of the labor force. About 71% of the total workers in India continue to be employed in the agricultural sector. The degree of industrial diversification is today quite impressive both in terms of the sophistication of technology and the range of goods produced. A wide network of scientific research and educational institutions has been created with the result that India has now the third largest scientific and technical work force in the world.There has also taken place a sizeable expansion of modern infrastructure.

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The progress towards the modernization of the economy in India, though impressive in itself, has not helped to improve the living conditions of the masses. As acknowledged by the Planning Commission themselves, "after three decades of planned development large segments of the population have yet to share in the benefits of progress or participate in the process of development."(20) Almost half of the country's population is estimated to be living below the 'poverty line', that is a per capita monthly expenditure of less than $10, which does not ensure them the basic calorie requirement. The rising cost of living following large scale deficit financing of plan expenditure have added to the misery of their daily existence. The availability of medical and other social facilities are minimal for the vast majority of the people. About two-thirds of the county's population continues to be illiterate. As many as one-third of the country's 5,600,000 villages remain without potable water supply and half of them do not have the benefit of electricity. Unemployment both in the rural and urban areas has assumed explosive dimensions. While the villages are witnessing a process of increasing proletarianization, the urban centers are being swamped by the continuous influx of rural migrants. Almost 30 million people in the country are living in slums in the urban areas.

Clearly the Western model of heavy industrialization being followed in the country has not been able to provide an answer to the prevailing socio-economic ills. The remedy does not lie in seeking a patchwork solution to the existing development paradigm. We have to search for an entirely new path of development in tune with the Indian economic and social reality. In the following paragraphs we offer some suggestions in this direction.

Firstly, one has to reconsider both the long term and short term objectives or goals of development. Growth has to be brought down from the high pedestal it has occupied so long. I think the aim of reproducing the living standards being enjoyed by the people of America and other developed Western countries is neither feasible nor desirable. The existing resource base in India and most of the other developing countries does not permit that. The countries of the Third World must reconcile themselves to this fact. Rather they must try to seek over the long run a level of economic development and consumption which does not threaten the delicate balance between man and

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resources, a level which at the same time is sufficiently efficient and productive to satisfy the basic needs of every one in the society.

Fulfillment of the basic needs of food, clothing, housing, health, education, etc. must become the central and the immediate concern of development efforts. With a determined redirection of resources and efforts it should be possible to meet the basic needs of the people, not over a distant future which never comes, but within a reasonably short time. The question of social values and an adequate distribution of resources should take precedence over that of growth for growth's sake, measured by an undistinguished whole called GNP.

'Man' not mere 'output' should be the hero of development drama. One must carefully analyse the effects of the national plan on man and society. In such an approach questions of the appropriate product mix and the appropriate technology would be more important than the questions of the fastest rate of growth and the most modern technology. The focus of research should turn to finding the cheapest and quickest ways of meeting the basic needs of the people.

In the determination of the goals of development the desires of the people should be given much greater weight than has been the case until now. Simultaneously the local communities should be given a greater share in determining the use of the available resources according to their self-perceived needs, which may vary from community to community. This calls for a decentralized form of planning.

In the ultimate analysis development depends upon 'social mobilization' rather than 'resource mobilization.' Economists have long dominated the field of development. In our view social anthropologists and communication experts have an equal if not more important role to play in planning development since, as pointed out recently by Streeten, 'difficulties often lie with human attitudes, social institutions and political power structures, more than or as well as with scarcities of productive inputs and their correct allocation."(21)

The experts and aid-givers of the affluent West should accept and recognize that it is possible and desirable for each country to follow its unique course on the road to development. The ruling elites and the planners in the developing countries, in their turn, have to display a more innovative spirit rather than an easy but helpless dependence on foreign aid and technology.

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Such a self-reliant not dependent course of development would require a more inward looking strategy. Only then can one hope to achieve a more socio-culturally relevant pattern of development which will be properly suited to advance the peoples of the Third World without painful, often disastrous and undue dislocation of their lives.

FOOTNOTES

(1) Loius Lefeber, 'On the Paradigm for Economic Development', in Ashok Mitva (ed.), *Economic Theory and Planning: Essays in Honour of A. K. Das Gupta* (Oxford University Press, Delhi, 1974).

(2) W.W. Rostow, *The Stages of Economic Growth: A Non-Communist Manifesto* (Cambridge University Press, 1960).

(3) A.K. Cairncross, *Factors in Economic Development* (Allen and Unwin, London, 1962).

(4) T.W. Schultz, 'Investment in Human Capital," *American Economic Review*, Vol. 51, March 1961.

(5) These shifts in ideas on development over the last three decades have been succinctly summed up by P. Streeten in his article, 'Development, Ideas in Historical Perspective: The New Interest in Development', *Regional Development Dialogue,* Vol. 1, No. 2, August 1980.

(6) Government of India, Planning Commission, *Third Five Year Plan*, New Delhi, 1961, p. 6.

(7) Government of India, Planning Commission, *Six Five Year Plan 1980-85* (New Delhi, 1981), p. 340.

(8) *Second Five Year Plan,* op. cit, p. 6.

(9) Ibid., p. 23.

(10) Ibid., p. 25.

(11) *Third Five Year Plan,* op. cit., p. 24.

(12) *Sixth Five Year Plan,* op. cit., p. 3.

(13) Ibid., p. 17.

(14) *Third Five Year Plan,* op. cit., p. 26.

(15) *Second Five Year Plan,* p. 5.

(16) *Third Five Year Plan,* op. cit., p. 1.

(17) Ibid., p. 18.

(18) For a discussion of this aspect of Indian economic development see V.K.R. Rao, *Values and Economic Development: The Indian Challenge,* Vikas Publications, Delhi, 1971.

(19) For a brief review of achievements of Indian plans see *Six Five Year Plan*, op. cit., Ch. 1.

(20) *Sixth Five Year Plan*, op. cit., p. 34.

(21) P. Streeten, op. cit., p. 24.

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BOOK REVIEWS

EVOLUTION, CREATIVE INTELLIGENCE AND INTERGROUP COMPETITION

editor: Alan McGregor
The Cliveden Press, Washington, D.C.

Recent research in psychology, medicine and genetics has demonstrated the importance of heredity in determining the potential limits of behavioral reactions by living organisms, including man. As Professor Mark Graubard of the University of Minnesota argues, the genetic potential for creativity differs widely from one individual to another.

Taking this argument as his base of reference, Professor Umberto Melotti of the University of Pavia shows that given the proposition that all living organisms have the capacity to overreproduce themselves, it follows that two separate breeding populations possessing disparate gene pools, but depending on similar resources, will find themselves in competition with each other for procreational success and subspecific survival if they penetrate the same habitat. It is thus a matter of concrete importance for the proper understanding of human conflict and international relations to realise the evolutionary implications of intergroup competition and intergroup selection.

Alan McGregor suggests that if intergroup competition has evolutionary significance, then certain aspects of group behavior, notably those which promote intragroup cooperation and intergroup competitiveness, may well have deep evolutionary roots. To the extent that either innate or learned patterns of group behavior promote or hinder the intergenerational survival of distinctive breeding populations, the course of evolution could be profoundly affected.

David de Laubenfels of Syracuse University takes the discussion beyond theoretical fields by examining the prehistory of various human subspecies during the Upper Paleolithic and subsequent cultural eras, applying the principles of group evolution to actual hominid prehistory. This leads the debate into contemporary times, and Professor Martin of Lakehead University discusses the implications for human evolution in

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the event of an end to the present world population explosion and its replacement by a state of zero population growth – with a concomitant decline in the impact of natural selection on the direction of human evolution.

This is a fascinating text which will grasp and hold the attention of all who are concerned with the study of human evolution and human behavior, population genetics, sociobiology, and political science. The authors present clearly reasoned arguments cocerning the past, present and possible future direction of human social evolution, and pose tantalizing concepts which hold the attention of every imaginative scholar who is in any way involved in the interelationship between human groups, societies and states.

THE LIMITS OF DESTALINIZATION IN THE SOVIET UNION
Albert P. van Goudoever
St. Martin's Press, New York

After Stalin's death in 1953 a process of destalinisation was initiated in the Soviet Union. A significant part of this policy consisted in the reduction of terror, and gradually those victims of Stalin who had survived the camps began to reappear in society. Many of those who had been killed were rehabilitated posthumously, an event of political if not personal significance. This study deals with the forms, aspects and significance of the phenomenon of rehabilitation in the Soviet Union between 1953 and 1980.

On the other hand, the study describes the political manipulation of the selection of victims qualified for rehabilitation and reinstatement in the communist party. It also reviews the formal and juridical procedures. On the other hand, the manner in which the commemoration of the communist non-survivors was handled in propaganda and historiography is covered as well. The posthumous approach to party-internal oppositions, as in the case of Bukharin, Trotsky and others, is also examined.

In examples and case-studies of rehabilitations, including those of Majskij, Solzhenitsyn, Petrovskij, Bubnov and Bljucher, this study provides a fascinating picture.

The author places the phenomenon of rehabilitation within the framework of the policy of destalinisation under Khruschchev, followed by a process of restalinisation under Brezh-

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nev. He assesses the importance of the influence of the politburo, the initiatives of the parties in the federal republics, and the struggle for personal power inside the party leadership. The relation between the press campaign on the public rehabilitations and the conflict between the Soviet Union and China is also discussed.

The author uses a large number of official publications as well as the underground press in the Soviet Union. The policy of rehabilitation in Czechoslovakia is used for purposes of comparison. Through publications and Czechoslovak legislation during the Prague Spring in 1968, more is known about this policy in Czechoslovakia than in Soviet Russia.

THE PEOPLES OF IRELAND
Liam de Paor
Notre Dame Press, Notre Dame, Indiana

The Peoples of Ireland is a balanced and lively history of the many and varied groups of people who have, through the centuries, attacked or settled in Ireland. Liam de Paor traces the successions of colonizations – both physical and cultural – that Ireland has undergone, focusing on the turbulent relations between Ireland and England.

The book contains separate but interrelated chapters on ten topics – Prehistory, Celtic Ireland; Church and State; The Sword-Land; The English Conquest; The Protestant Settlement; Ireland in the British Empire; The United Kingdom: Revolution: and (from Robert Emmet's well-known speech) "Among the Nations of the Earth".

Author de Paor displays an accomplished control over both historical and archaeological data, and uses this to inspire his contemporary message about Ireland in the form of an eloquent and enthralling narrative. Unfortunately, much of the national zeal which inspired those who fought for Irish independence has dissipated, and enthusiasts for the Celtic tradition are today far outnumbered by those who see in public office the opportunity for private gain and advancement. Indeed, it is ironical that after the Irish struggled so hard to gain independence from England, modern Irish politicians, without any particular authority from the people of Ireland, today strive ardently to submerge Ireland in the new European State, abandoning the

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sovereignty their forebears strove so hard to win from England to a far greater, and less closely related multitude of diverse peoples and pressure groups.

ON THE JOB: CONTRONTING THE LABOR PROCESS IN CANADA
Craig Heron and Robert Storey
McGill-Queen's University Press, Kingston and Montreal

This collection presents a dozen original essays on nineteenth and twentieth century Canadian labor history by historians and social scientists. A general essay by the editors on wage labor in Canada is followed by specific studies on railway employees, printers, coal miners, domestic work, the clothing industry, office work, steel, logging, longshoring, fast food operations and autoworkers.

Technology and technological change is a major focus of this volume, but in general it has not been handled well. None of the essays presents a sustained, technology-centered argument. Strongest in this regard are sections of the essays by Radforth, Graham Lowe on the mechanization of offices and the editors' second essay on the steel industry. There are other reasons for introducing new technologies besides substituting for labor, and other effects besides skill dilution and loss of worker control.

THE BULGARIAN ECONOMY IN THE TWENTIETH CENTURY
John R. Lampe
St. Martin's Press, New York

Present-day Bulgaria, like other countries of Eastern Europe, has industrialized rapidly with all the difficulties of making a centrally planned economy work efficiently. Bulgaria's economy remains tightly planned from the center, but has carried through comparatively more reforms and is comparatively more successful than most other Eastern European economies.

The book traces the rapid growth of the Bulgarian economy throughout the twentieth century. It also notes the obstacles Bulgaria has faced in bringing about industrial development in a small relatively poor country where, in the early twentieth century, agriculture predominated.

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